

LEGISLATURE OF NEBRASKA  
NINETY-EIGHTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 774**

Introduced by Kruse, 13; Hartnett, 45; Mines, 18; Thompson, 14

Read first time January 22, 2003

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend sections  
2 2-257, 2-3225, 3-504.02, 3-603, 3-605, 12-914, 12-923,  
3 13-1304, 14-1821, 16-702, 16-1019, 16-1038, 17-702,  
4 18-1221, 18-2107, 19-1309, 23-119, 23-224, 23-2909,  
5 23-3552, 23-3616, 31-411.02, 32-559, 35-509, 35-517,  
6 39-1621, 39-1637, 39-1649, 51-501, 71-1629.01, 74-1306,  
7 and 85-1536.01, Reissue Revised Statutes of Nebraska, and  
8 sections 2-229, 2-229.01, 2-259, 3-504, 3-613, 3-707,  
9 13-303, 13-502, 13-506, 13-508, 13-511, 13-2507, 13-2809,  
10 13-2817, 14-514, 14-1805, 18-2609, 19-3315, 23-125,  
11 23-355.01, 23-501, 29-3933, 35-508, 35-514.02, 51-201,  
12 51-806, 71-1637, 71-1638, 77-1601, 77-1776, 79-4,108,  
13 79-1003, 79-1008.01, 79-1008.02, 79-1015.01, 79-1025,  
14 79-1029, 79-1078, 79-1081, 79-1225, 80-202, 86-582, and  
15 86-585, Revised Statutes Supplement, 2002; to eliminate  
16 certain budget and tax levy limitations, freeholder  
17 provisions, and advisory councils; to harmonize

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1           provisions; to provide an operative date; to repeal the  
2           original sections; to outright repeal section 79-458,  
3           Reissue Revised Statutes of Nebraska, and sections 13-518  
4           to 13-522, 13-2808, 77-3442 to 77-3446, 79-1027.01, and  
5           79-1082, Revised Statutes Supplement, 2002; and to  
6           declare an emergency.  
7   Be it enacted by the people of the State of Nebraska,

1                   Section 1.   Section 2-229, Revised Statutes Supplement,  
2   2002, is amended to read:

3                   2-229. (1) During the month of November each year, each  
4   appointed county fair board shall prepare and submit to the county  
5   board an estimate, itemized as far as possible, of the amount of  
6   money which is necessary to be collected by taxation for the  
7   support and management of the fair for the ensuing year. The  
8   county board may, ~~subject to section 77-3442,~~ levy such amount of  
9   taxes as may be necessary but not to exceed the amount actually  
10   required for county fair purposes, including capital construction  
11   on and renovation, repair, improvement, and maintenance of county  
12   fairgrounds. Such tax shall be levied and collected in like manner  
13   as general taxes for the county.

14                  (2) Each elected county fair board shall annually prepare  
15   a budget statement setting forth the amount of money necessary for  
16   the operation of the county fair board. On or before August 1, the  
17   president and the secretary of the board shall certify the amount  
18   of tax to be levied upon all the taxable property within the county  
19   for the operation of the county fair board for the ensuing year.  
20   ~~subject to allocation under section 77-3443.~~ The tax shall be  
21   assessed, levied, and collected as other county taxes. The  
22   proceeds of such tax shall be paid by the county treasurer to the  
23   treasurer of the county fair board. ~~The county fair board may act~~  
24   ~~to exceed the allocation provided by the county board under section~~  
25   ~~77-3444, but if the county fair board acts to exceed the~~  
26   ~~allocation, the total levy shall not exceed three and one-half~~  
27   ~~cents per one hundred dollars of valuation.~~

28                  Sec. 2.   Section 2-229.01, Revised Statutes Supplement,

1 2002, is amended to read:

2 2-229.01. Pursuant to a request by an elected county  
3 fair board, the county board of any county may levy an additional  
4 levy of three and five-tenths cents on each one hundred dollars of  
5 taxable valuation, or any part thereof, for the purpose of capital  
6 construction on and renovation, repair, improvement, and  
7 maintenance of the county fairgrounds, over and above the  
8 operational tax levy authorized in section 2-229. Such levy shall  
9 not exceed the amount actually required for such work. In counties  
10 having a population of more than sixty thousand inhabitants but not  
11 more than three hundred fifty thousand inhabitants and also  
12 containing a city of the primary class, such additional levy or any  
13 part thereof may be levied for the purpose of capital construction  
14 on and renovation, repair, improvement, and maintenance of the  
15 county fairgrounds. ~~The additional levy shall be subject to~~  
16 ~~section 77-3443.~~

17 Sec. 3. Section 2-257, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19 2-257. ~~(1)~~ The county board may, at the time other  
20 levies and assessments for taxation are made ~~and subject to section~~  
21 ~~77-3443,~~ levy a tax upon all of the taxable property within the  
22 county for the operation of the county agricultural society. The  
23 tax shall be assessed, levied, and collected as other county taxes.  
24 The proceeds of such tax shall be paid by the county treasurer to  
25 the treasurer of the board of directors of such county agricultural  
26 society.

27 ~~(2) The county agricultural society may act to exceed the~~  
28 ~~allocation provided by the county board under section 77-3444, but~~

1 if the county agricultural society acts to exceed the allocation,  
2 the total levy shall not exceed three and one-half cents per one  
3 hundred dollars of valuation.

4 Sec. 4. Section 2-259, Revised Statutes Supplement,  
5 2002, is amended to read:

6 2-259. Pursuant to a request by a county agricultural  
7 society, the county board of any county may levy an additional levy  
8 of three and five-tenths cents on each one hundred dollars of  
9 taxable valuation, or any part thereof, for the purpose of  
10 acquiring an interest in real property to comprise a portion or all  
11 of the county fairgrounds or for the purpose of capital  
12 construction on and renovation, repair, improvement, and  
13 maintenance of the county fairgrounds, over and above the  
14 operational tax levy authorized in section 2-257. Such levy shall  
15 not exceed the amount actually required for such acquisition or  
16 work. ~~and shall be subject to section 77-3443.~~

17 Sec. 5. Section 2-3225, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19 2-3225. Each district shall have the power and authority  
20 to levy a tax of not to exceed four and one-half cents on each one  
21 hundred dollars of taxable valuation annually on all of the taxable  
22 property within such district. ~~unless a higher levy is authorized~~  
23 ~~pursuant to section 77-3444.~~ The proceeds of such tax shall be  
24 used, together with any other funds which the district may receive  
25 from any source, for the operation of the district. When adopted  
26 by the board, the levy shall be certified by the secretary to the  
27 county clerk of each county which in whole or in part is included  
28 within the district. Such levy shall be handled by the counties in

1 the same manner as other levies, and proceeds shall be remitted to  
2 the district treasurer. Such levy shall not be considered a part  
3 of the general county levy and shall not be considered in  
4 connection with any limitation on levies of such counties.

5 Sec. 6. Section 3-504, Revised Statutes Supplement,  
6 2002, is amended to read:

7 3-504. Any authority established under the Cities  
8 Airport Authorities Act shall have power:

9 (1) To sue and be sued;

10 (2) To have a seal and alter the same at pleasure;

11 (3) To acquire, hold, and dispose of personal property  
12 for its corporate purposes;

13 (4) To acquire in the name of the city, by purchase or  
14 condemnation, real property or rights or easements therein  
15 necessary or convenient for its corporate purposes and, except (a)  
16 as may otherwise be provided in the act and (b) that if property is  
17 to be acquired outside the zoning jurisdiction of the city when  
18 such city is a city of the metropolitan class, approval must be  
19 obtained from the county board of the county where the property is  
20 located before the right of eminent domain may be exercised, to use  
21 the same so long as its corporate existence continues. Such power  
22 shall not be exercised by authorities of cities of the primary,  
23 first, and second classes and of villages created after September  
24 2, 1973, without further approval until such time as at least three  
25 members of the authority have been elected. If the exercise of  
26 such power is necessary while three or more appointed members  
27 remain on the authority of cities of the primary, first, and second  
28 classes and of villages, the appointing body shall approve all

1 proceedings under this subdivision;

2           (5) To make bylaws for the management and regulation of  
3 its affairs and, subject to agreements with bondholders, to make  
4 rules and regulations for the use of projects and the establishment  
5 and collection of rentals, fees, and all other charges for services  
6 or commodities sold, furnished, or supplied by such authority. Any  
7 person violating such rules shall be guilty of a Class III  
8 misdemeanor;

9           (6) With the consent of the city, to use the services of  
10 agents, employees, and facilities of the city, for which the  
11 authority may reimburse the city a proper proportion of the  
12 compensation or cost thereof, and also to use the services of the  
13 city attorney as legal advisor to the authority;

14           (7) To appoint officers, agents, and employees and fix  
15 their compensation;

16           (8) To make contracts, leases, and all other instruments  
17 necessary or convenient to the corporate purposes of the authority;

18           (9) To design, construct, maintain, operate, improve, and  
19 reconstruct, so long as its corporate existence continues, such  
20 projects as are necessary and convenient to the maintenance and  
21 development of aviation services to and for the city in which such  
22 authority is established, including landing fields, heliports,  
23 hangars, shops, passenger and freight terminals, control towers,  
24 and all facilities necessary or convenient in connection with any  
25 such project, to contract for the construction, operation, or  
26 maintenance of any parts thereof or for services to be performed  
27 thereon, and to rent parts thereof and grant concessions thereon,  
28 all on such terms and conditions as the authority may determine.

1 This subdivision shall not be construed to affect the obligation of  
2 a lessee to pay taxes if taxes are due under sections 77-202,  
3 77-202.11, and 77-202.12;

4 (10) To include in such project, subject to zoning  
5 restrictions, space and facilities for any or all of the following:  
6 Public recreation; business, trade, or other exhibitions; sporting  
7 or athletic events; public meetings; conventions; and all other  
8 kinds of assemblages and, in order to obtain additional revenue,  
9 space and facilities for business and commercial purposes.  
10 Whenever the authority deems it to be in the public interest, the  
11 authority may lease any such project or any part or parts thereof  
12 or contract for the management and operation thereof or any part or  
13 parts thereof. Any such lease or contract may be for such period  
14 of years as the authority shall determine. This subdivision shall  
15 not be construed to affect the obligation of a lessee to pay taxes  
16 if taxes are due under sections 77-202, 77-202.11, and 77-202.12;

17 (11) To charge fees, rentals, and other charges for the  
18 use of projects under the jurisdiction of such authority subject to  
19 and in accordance with such agreement with bondholders as may be  
20 made as hereinafter provided. Subject to contracts with  
21 bondholders, all fees, rentals, charges, and other revenue derived  
22 from any project shall be applied to the payment of operating,  
23 administration, and other necessary expenses of the authority  
24 properly chargeable to such project and to the payment of the  
25 interest on and principal of bonds or for making sinking-fund  
26 payments therefor. Subject to contracts with bondholders, the  
27 authority may treat one or more projects as a single enterprise  
28 with respect to revenue, expenses, the issuance of bonds,



1 maintenance, operation, or other purposes;

2           (12) To certify annually to the governing body of the  
3 city the amount of tax to be levied for airport purposes which the  
4 authority requires under its adopted budget statement to be  
5 received from taxation, not to exceed three and five-tenths cents  
6 on each one hundred dollars of taxable valuation of all the taxable  
7 property in such city. ~~subject to section 77-3443.~~ The governing  
8 body may levy and collect the taxes so certified at the same time  
9 and in the same manner as other taxes are levied and collected, and  
10 the proceeds of such taxes when due and as collected shall be set  
11 aside and deposited in the special account or accounts in which  
12 other revenue of the authority is deposited. An authority in a  
13 city of the first or second class or a village shall have power to  
14 certify annually to the governing body of such a city or village an  
15 additional amount of tax to be levied for airport purposes, not to  
16 exceed three and five-tenths cents on each one hundred dollars of  
17 taxable value, to be levied, collected, set aside, and deposited as  
18 specified in this subdivision, and if negotiable bonds of the  
19 authority are thereafter issued, this power shall continue until  
20 such bonds are paid in full. When such additional amount of tax is  
21 first certified, the governing body may then require, but not  
22 thereafter, approval of the same by a majority vote of the  
23 governing body or by a majority vote of the electors voting on the  
24 same at a general or special election. ~~The additional levy shall~~  
25 ~~be subject to section 77-3443.~~ The provisions of this subdivision  
26 shall not apply to cities of the metropolitan class;

27           (13) To construct and maintain under, along, over, or  
28 across a project, telephone, telegraph, or electric wires and

1 cables, fuel lines, gas mains, water mains, and other mechanical  
2 equipment not inconsistent with the appropriate use of such  
3 project, to contract for such construction and to lease the right  
4 to construct and use the same, or to use the same on such terms for  
5 such periods of time and for such consideration as the authority  
6 shall determine;

7 (14) To accept grants, loans, or contributions from the  
8 United States, the State of Nebraska, any agency or instrumentality  
9 of either of them, or the city in which such authority is  
10 established and to expend the proceeds thereof for any corporate  
11 purposes;

12 (15) To incur debt and issue negotiable bonds and to  
13 provide for the rights of the holders thereof;

14 (16) To enter on any lands, waters, and premises for the  
15 purposes of making surveys, soundings, and examinations; and

16 (17) To do all things necessary or convenient to carry  
17 out the powers expressly conferred on such authorities by the act.

18 Sec. 7. Section 3-504.02, Reissue Revised Statutes of  
19 Nebraska, is amended to read:

20 3-504.02. An airport authority may, and in cities of the  
21 primary class shall, in addition to the powers enumerated in  
22 section 3-504, encourage, foster, and promote the development of  
23 commercial and general aviation for the city which it serves, and  
24 advance the interests of such city in aeronautics and in commercial  
25 air transportation and its scheduling. An airport authority in  
26 cities of the primary class, under direction of the mayor, shall  
27 represent the interests of such city in commercial air service  
28 hearings, except that representation in the name of the city shall

1 be only by the consent of such city. In cities of the primary  
2 class the city council may establish a fund for the purposes of  
3 this section by an annual levy of not to exceed three-tenths of one  
4 cent on each one hundred dollars which shall be levied and  
5 collected upon the same property and in addition to the levy  
6 provided in subdivision (12) of section 3-504. ~~The levy in this~~  
7 ~~section shall be subject to section 77-3443.~~

8           Sec. 8.     Section 3-603, Reissue Revised Statutes of  
9 Nebraska, is amended to read:

10           3-603. For the purpose of acquiring and improving such  
11 aviation field, such county may, in lieu of issuing and selling  
12 bonds, levy an annual tax of not to exceed seven cents on each one  
13 hundred dollars of taxable value of all the taxable property within  
14 such county. ~~subject to section 77-3443.~~ The tax shall not be  
15 levied or collected until the proposition of levying the same has  
16 first been submitted to the legal electors of such county at a  
17 general or special election held therein and received a majority of  
18 the votes cast upon the question of levying such tax. Such levy  
19 shall be authorized for a term not exceeding ten years, and the  
20 proposition submitted to the electors shall specify the number of  
21 years for which it is proposed to levy such tax. If funds for such  
22 purposes are raised by the levy of tax, no part of the funds so  
23 accruing shall be used for any other purpose.

24           Sec. 9.     Section 3-605, Reissue Revised Statutes of  
25 Nebraska, is amended to read:

26           3-605. For the purpose of the construction, leasing,  
27 improvement, maintenance, and management of an aviation field and  
28 for the payment of persons employed in the performance of labor in

1 connection therewith, any county may, without a vote of the legal  
2 electors, levy an annual tax of not to exceed three and five-tenths  
3 cents on each one hundred dollars of taxable value of all the  
4 taxable property in such county. ~~subject to section 77-3443.~~ No  
5 part of the funds so levied and collected shall be used for any  
6 other purpose.

7 Sec. 10. Section 3-613, Revised Statutes Supplement,  
8 2002, is amended to read:

9 3-613. Any authority established under sections 3-601 to  
10 3-622 shall have power:

11 (1) To sue and be sued;

12 (2) To have a seal and alter the same at pleasure;

13 (3) To acquire, hold, and dispose of personal property  
14 for its corporate purposes;

15 (4) To acquire in the name of the county, by purchase or  
16 condemnation, real property or rights or easements therein  
17 necessary or convenient for its corporate purposes and, except as  
18 may otherwise be provided in such sections, to use the same so long  
19 as its corporate existence continues. Such power shall not be  
20 exercised by authorities created after September 2, 1973, without  
21 further approval until such time as three or more members of the  
22 authority have been elected. If the exercise of such power is  
23 necessary while three or more appointed members remain on the  
24 authority, the appointing body shall approve all proceedings under  
25 this subdivision;

26 (5) To make bylaws for the management and regulation of  
27 its affairs and, subject to agreements with bondholders, to make  
28 rules and regulations for the use of projects and the establishment

1 and collection of rentals, fees, and all other charges for services  
2 or commodities sold, furnished, or supplied by such authority. Any  
3 person violating such rules shall be guilty of a Class III  
4 misdemeanor;

5 (6) With the consent of the county, to use the services  
6 of agents, employees, and facilities of the county, for which the  
7 authority may reimburse the county a proper proportion of the  
8 compensation or cost thereof, and also to use the services of the  
9 county attorney as legal advisor to the authority;

10 (7) To appoint officers, agents, and employees and fix  
11 their compensation;

12 (8) To make contracts, leases, and all other instruments  
13 necessary or convenient to the corporate purposes of the authority;

14 (9) To design, construct, maintain, operate, improve, and  
15 reconstruct, so long as its corporate existence continues, such  
16 projects as are necessary and convenient to the maintenance and  
17 development of aviation services to and for the county in which  
18 such authority is established, including landing fields, heliports,  
19 hangars, shops, passenger and freight terminals, control towers,  
20 and all facilities necessary or convenient in connection with any  
21 such project, to contract for the construction, operation, or  
22 maintenance of any parts thereof or for services to be performed  
23 thereon, and to rent parts thereof and grant concessions thereon,  
24 all on such terms and conditions as the authority may determine.  
25 This subdivision shall not be construed to affect the obligation of  
26 a lessee to pay taxes if taxes are due under sections 77-202,  
27 77-202.11, and 77-202.12;

28 (10) To include in such project, subject to zoning

1 restrictions, space and facilities for any or all of the following:  
2 Public recreation; business, trade, or other exhibitions; sporting  
3 or athletic events; public meetings; conventions; and all other  
4 kinds of assemblages and, in order to obtain additional revenue,  
5 space and facilities for business and commercial purposes.  
6 Whenever the authority deems it to be in the public interest, the  
7 authority may lease any such project or any part or parts thereof  
8 or contract for the management and operation thereof or any part or  
9 parts thereof. Any such lease or contract may be for such period  
10 of years as the authority shall determine. This subdivision shall  
11 not be construed to affect the obligation of a lessee to pay taxes  
12 if taxes are due under sections 77-202, 77-202.11, and 77-202.12;

13 (11) To charge fees, rentals, and other charges for the  
14 use of projects under the jurisdiction of such authority subject to  
15 and in accordance with such agreement with bondholders as may be  
16 made as hereinafter provided. Subject to contracts with  
17 bondholders, all fees, rentals, charges, and other revenue derived  
18 from any project shall be applied to the payment of operating,  
19 administration, and other necessary expenses of the authority  
20 properly chargeable to such project and to the payment of the  
21 interest on and principal of bonds or for making sinking-fund  
22 payments therefor. Subject to contracts with bondholders, the  
23 authority may treat one or more projects as a single enterprise  
24 with respect to revenue, expenses, the issuance of bonds,  
25 maintenance, operation, or other purposes;

26 (12) To annually request of the county board the amount  
27 of tax to be levied for airport purposes, ~~subject to section~~  
28 ~~77-3443,~~ not to exceed three and five-tenths cents on each one

1 hundred dollars of taxable valuation of all the taxable property in  
2 such county. The governing body shall levy and collect the taxes  
3 so requested at the same time and in the same manner as other taxes  
4 are levied and collected, and the proceeds of such taxes when due  
5 and as collected shall be set aside and deposited in the special  
6 account or accounts in which other revenue of the authority is  
7 deposited;

8 (13) To construct and maintain under, along, over, or  
9 across a project, telephone, telegraph, or electric wires and  
10 cables, fuel lines, gas mains, water mains, and other mechanical  
11 equipment not inconsistent with the appropriate use of such  
12 project, to contract for such construction and to lease the right  
13 to construct and use the same, or to use the same on such terms for  
14 such period of time and for such consideration as the authority  
15 shall determine;

16 (14) To accept grants, loans, or contributions from the  
17 United States, the State of Nebraska, any agency or instrumentality  
18 of either of them, or the county in which such authority is  
19 established and to expend the proceeds thereof for any corporate  
20 purposes;

21 (15) To incur debt and issue negotiable bonds and to  
22 provide for the rights of the holders thereof;

23 (16) To enter on any lands, waters, and premises for the  
24 purposes of making surveys, soundings, and examinations; and

25 (17) To do all things necessary or convenient to carry  
26 out the powers expressly conferred on such authorities by sections  
27 3-601 to 3-622.

28 Sec. 11. Section 3-707, Revised Statutes Supplement,

1 2002, is amended to read:

2 3-707. Any joint authority established under the Joint  
3 Airport Authorities Act shall have power:

4 (1) To sue and be sued;

5 (2) To have a seal and alter the same at pleasure;

6 (3) To acquire, hold, and dispose of personal property  
7 for its corporate purposes;

8 (4) To acquire, by purchase or condemnation, real  
9 property or rights or easements therein necessary or convenient for  
10 its corporate purposes and, except as may otherwise be provided in  
11 the act, to use the same so long as its corporate existence  
12 continues. Such power shall not be exercised by authorities  
13 created after September 2, 1973, without further approval until  
14 such time as three or more members of the authority have been  
15 elected. If the exercise of such power is necessary while three or  
16 more appointed members remain on the authority, the appointing body  
17 shall approve all proceedings under this subdivision;

18 (5) To make bylaws for the management and regulation of  
19 its affairs and, subject to agreements with bondholders, to make  
20 rules and regulations for the use of projects and the establishment  
21 and collection of rentals, fees, and all other charges for services  
22 or commodities sold, furnished, or supplied by such joint  
23 authority;

24 (6) To appoint officers, agents, and employees and fix  
25 their compensation;

26 (7) To make contracts, leases, and all other instruments  
27 necessary or convenient to the corporate purposes of the joint  
28 authority;



1           (8) To design, construct, maintain, operate, improve, and  
2 reconstruct, so long as its corporate existence continues, such  
3 projects as are necessary and convenient to the maintenance and  
4 development of aviation services to and for the political  
5 subdivisions by which such joint authority was established,  
6 including landing fields, heliports, hangars, shops, passenger and  
7 freight terminals, control towers, and all facilities necessary or  
8 convenient in connection with any such project, to contract for the  
9 construction, operation, or maintenance of any parts thereof or for  
10 services to be performed thereon, and to rent parts thereof and  
11 grant concessions thereon, all on such terms and conditions as the  
12 joint authority may determine. This subdivision shall not be  
13 construed to affect the obligation of a lessee to pay taxes if  
14 taxes are due under sections 77-202, 77-202.11, and 77-202.12;

15           (9) To include in such project, subject to zoning  
16 restrictions, space and facilities for any or all of the following:  
17 Public recreation; business, trade, or other exhibitions; sporting  
18 or athletic events; public meetings; conventions; and all other  
19 kinds of assemblages and, in order to obtain additional revenue,  
20 space and facilities for business and commercial purposes.  
21 Whenever the joint authority deems it to be in the public interest,  
22 it may lease any such project or any part or parts thereof or  
23 contract for the management and operation thereof or any part or  
24 parts thereof. Any such lease or contract may be for such period  
25 of years as the joint authority shall determine. This subdivision  
26 shall not be construed to affect the obligation of a lessee to pay  
27 taxes if taxes are due under sections 77-202, 77-202.11, and  
28 77-202.12;

1                   (10) To charge fees, rentals, and other charges for the  
2 use of projects under its jurisdiction subject to and in accordance  
3 with such agreements with bondholders as may be made as provided in  
4 the act. Subject to contracts with bondholders, all fees, rentals,  
5 charges, and other revenue derived from any project shall be  
6 applied to the payment of operating, administration, and other  
7 necessary expenses of the joint authority properly chargeable to  
8 such project and to the payment of the interest on and principal of  
9 bonds or for making sinking-fund payments therefor. Subject to  
10 contracts with bondholders, the joint authority may treat one or  
11 more projects as a single enterprise with respect to revenue,  
12 expenses, the issuance of bonds, maintenance, operation, or other  
13 purposes;

14                   (11) To certify annually to each tax-levying body the  
15 amount of tax to be levied for airport purposes, ~~subject to section~~  
16 ~~77-3443,~~ not to exceed three and five-tenths cents on each one  
17 hundred dollars of taxable valuation of all of the taxable property  
18 therein, to insure that all of the taxable property within each  
19 county, city, and village which has become interested in a joint  
20 airport authority, directly or indirectly, as set forth in section  
21 3-702, whether at the time of the authority's initial organization  
22 or thereafter, becomes subject to taxation for the purposes of such  
23 authority. Whenever a city or village so interested in a joint  
24 authority is situated within a county which is likewise interested  
25 in the same joint authority, the joint authority shall, in order to  
26 avoid the possibility of double taxation, certify the tax only to  
27 the tax-levying body of the county and shall not certify any tax to  
28 the tax-levying body of such city or village. Such tax-levying

1 bodies shall request the county board to levy and collect the taxes  
2 so certified at the same time and in the same manner as other taxes  
3 of such county, city, or village, as the case may be, are levied  
4 and collected, and the proceeds of such taxes as collected shall be  
5 set aside and deposited in the special account or accounts in which  
6 other revenue of the joint authority is deposited;

7           (12) To covenant in any resolution or other instrument  
8 pursuant to which it issues any of its bonds or other obligations  
9 that the joint authority will, for so long as any such bonds or  
10 obligations and the interest thereon remain outstanding and unpaid,  
11 annually certify to each tax-levying body referred to in  
12 subdivision (11) of this section the maximum tax which the joint  
13 authority is, at the time of issuing such bonds or other  
14 obligations, authorized to so certify and that it will, in the  
15 event of any change in the method of assessment, so certify such  
16 tax as will raise the same amount in dollars as such maximum tax  
17 would have raised at the time such bonds or other obligations were  
18 issued;

19           (13) To pledge for the security of the principal of any  
20 bonds or other obligations issued by the joint authority and the  
21 interest thereon any revenue derived by the joint authority from  
22 taxation;

23           (14) To construct and maintain under, along, over, or  
24 across a project, telephone, telegraph, or electric wires and  
25 cables, fuel lines, gas mains, water mains, and other mechanical  
26 equipment not inconsistent with the appropriate use of such  
27 project, to contract for such construction and to lease the right  
28 to construct and use the same, or to use the same on such terms,

1 for such periods of time, and for such consideration as the joint  
2 authority shall determine;

3 (15) To accept grants, loans, or contributions from the  
4 United States, the State of Nebraska, or any agency or  
5 instrumentality of either of them and to expend the proceeds  
6 thereof for any corporate purposes;

7 (16) To incur debt and issue negotiable bonds and to  
8 provide for the rights of the holders thereof;

9 (17) To enter on any lands, waters, and premises for the  
10 purposes of making surveys, soundings, and examinations; and

11 (18) To do all things necessary or convenient to carry  
12 out the powers expressly conferred by the act.

13 Sec. 12. Section 12-914, Reissue Revised Statutes of  
14 Nebraska, is amended to read:

15 12-914. The board of trustees shall annually fix the  
16 amount of money for the proposed budget statement as may be deemed  
17 sufficient and necessary for carrying out the proposed policy with  
18 regard to the contemplated cemetery or cemeteries for the ensuing  
19 fiscal year. After the adoption of the district's budget  
20 statement, the president and secretary shall certify the amount to  
21 be received from taxation, according to the adopted budget  
22 statement, to the proper county clerk or county clerks and the  
23 proper county board or boards which may levy a tax, ~~subject to~~  
24 ~~section 77-3443,~~ not to exceed the amount so certified nor to  
25 exceed one and seven-tenths cents on each one hundred dollars upon  
26 the taxable value of all the taxable property in such district, for  
27 the maintenance of the cemetery or cemeteries in the district for  
28 the fiscal year as provided by law. Such tax shall be collected as

1 other taxes are collected in the county by the county treasurer,  
2 shall be placed to the credit of the cemetery district so  
3 authorizing the same, and shall be paid to the treasurer of the  
4 cemetery district upon warrants drawn upon the fund by the board of  
5 trustees of the district. Such warrants shall bear the signature  
6 of the president and the counter-signature of the secretary of the  
7 cemetery district. The amount of the tax levy shall not exceed the  
8 amount of funds required to defray the expenses of the district for  
9 a period of one year, as embraced in the adopted budget statement  
10 which forms the basis of the assessment and levy. ~~For purposes of~~  
11 ~~section 77-3443, the county board of each county in which the~~  
12 ~~district is situated shall approve the budget.~~

13           Sec. 13. Section 12-923, Reissue Revised Statutes of  
14 Nebraska, is amended to read:

15           12-923. The board of trustees of each cemetery district  
16 organized under sections 12-909 to 12-923 shall annually include in  
17 its proposed budget statement the amount of money deemed necessary  
18 in order for such district to acquire adequate cemetery land.  
19 After the adoption of the district's budget statement, the  
20 president and secretary shall certify the amount to be received  
21 from taxation for such purpose, according to the adopted budget  
22 statement, to the proper county clerk or county clerks and the  
23 proper county board or boards which may levy the required tax.  
24 ~~subject to section 77-3443.~~ The tax so levied for the acquisition  
25 of cemetery land in the district shall not exceed the amount so  
26 certified in the adopted budget statement nor exceed one and  
27 seven-tenths cents on each one hundred dollars upon the taxable  
28 value of all taxable property in such district. The tax levied

1 pursuant to this section shall be in addition to the tax levy  
2 authorized by section 12-914. Such tax shall be collected as other  
3 taxes are collected in the county by the county treasurer. The  
4 proceeds of the tax so levied and collected shall constitute a  
5 special fund for the acquisition of cemetery land in the district,  
6 shall be placed to the credit of the cemetery district so  
7 authorizing such levy, and shall be paid to the treasurer of the  
8 cemetery district upon warrants drawn upon the fund by the board of  
9 trustees of the district. The county treasurer shall keep such  
10 fund separate and apart from other county funds. In case the  
11 amount of money produced by such tax levies exceeds the amount  
12 expended or the amount necessary to insure availability of cemetery  
13 land, such excess shall be placed into the county general fund.  
14 ~~For purposes of section 77-3443, the county board of each county in~~  
15 ~~which the district is situated shall approve the budget.~~

16           Sec. 14. Section 13-303, Revised Statutes Supplement,  
17 2002, is amended to read:

18           13-303. The county boards of counties and the governing  
19 bodies of cities and villages may establish an emergency medical  
20 service, including the provision of scheduled and unscheduled  
21 ambulance service, as a governmental service either within or  
22 without the county or municipality, as the case may be. The county  
23 board or governing body may contract with any city, person, firm,  
24 or corporation licensed as an emergency medical service for  
25 emergency medical care by out-of-hospital emergency care providers.  
26 Each may enter into an agreement with the other under the  
27 Interlocal Cooperation Act or Joint Public Agency Act for the  
28 purpose of establishing an emergency medical service or may provide

1 a separate service for itself. Public funds may be expended  
2 therefor, and a reasonable service fee may be charged to the user.  
3 Before any such service is established under the authority of this  
4 section, the county board or the governing bodies of cities and  
5 villages shall hold a public hearing after giving at least ten  
6 days' notice thereof, which notice shall include a brief summary of  
7 the general plan for establishing such service, including an  
8 estimate of the initial cost and the possible continuing cost of  
9 operating such service. If the board or governing body after such  
10 hearing determines that an emergency medical service for emergency  
11 medical care by out-of-hospital emergency care providers is needed,  
12 it may proceed as authorized in this section. The authority  
13 granted in this section shall be cumulative and supplementary to  
14 any existing powers heretofore granted. Any county board of  
15 counties and the governing bodies of cities and villages may pay  
16 their cost for such service out of available general funds or may  
17 levy a tax for the purpose of providing the service, which levy  
18 shall be in addition to all other taxes and shall be in addition to  
19 restrictions on the levy of taxes provided by statute, except that  
20 when a fire district provides the service the county shall pay the  
21 cost for the county service by levying a tax on that property not  
22 in a fire district providing the service. ~~The levy shall be~~  
23 ~~subject to section 77-3443.~~

24 Sec. 15. Section 13-502, Revised Statutes Supplement,  
25 2002, is amended to read:

26 13-502. (1) The purpose of the Nebraska Budget Act is to  
27 require governing bodies of this state to which the act applies to  
28 follow prescribed budget practices and procedures and make

1 available to the public pertinent information pertaining to the  
2 financial requirements and expectations of such governing bodies so  
3 that intelligent and informed support, opposition, criticism,  
4 suggestions, or observations can be made by those affected.

5 (2) The act shall not apply to governing bodies which  
6 have a budget of less than five thousand dollars per year.

7 (3) The act shall not apply to proprietary functions of  
8 municipalities for which a separate budget has been approved by the  
9 city council or village board as provided in the Municipal  
10 Proprietary Function Act.

11 (4) The Nebraska Budget Act shall not apply to any  
12 governing body for any fiscal year in which the governing body will  
13 not have a property tax request or receive state aid. ~~as defined~~  
14 ~~in section 13-518.~~

15 (5) The act shall not apply to any public power district  
16 or public power and irrigation district organized pursuant to  
17 Chapter 70, article 6, to any rural power district organized  
18 pursuant to Chapter 70, article 8, or to any agency created  
19 pursuant to sections 18-2426 to 18-2434.

20 Sec. 16. Section 13-506, Revised Statutes Supplement,  
21 2002, is amended to read:

22 13-506. (1) Each governing body shall each year conduct  
23 a public hearing on its proposed budget statement. Notice of place  
24 and time of such hearing, together with a summary of the proposed  
25 budget statement, shall be published at least five days prior to  
26 the date set for hearing in a newspaper of general circulation  
27 within the governing body's jurisdiction. When the total operating  
28 budget, not including reserves, does not exceed ten thousand



1 dollars per year, the proposed budget summary may be posted at the  
2 governing body's principal headquarters. After such hearing, the  
3 proposed budget statement shall be adopted, or amended and adopted  
4 as amended, and a written record shall be kept of such hearing.  
5 The amount to be received from personal and real property taxation  
6 shall be certified to the levying board after the proposed budget  
7 statement is adopted or is amended and adopted as amended. If the  
8 levying board represents more than one county, a member or a  
9 representative of the governing board shall, upon the written  
10 request of any represented county, appear and present its budget at  
11 the hearing of the requesting county. The certification of the  
12 amount to be received from personal and real property taxation  
13 shall specify separately (a) the amount to be applied to the  
14 payment of principal or interest on bonds issued by the governing  
15 body and (b) the amount to be received for all other purposes. If  
16 the adopted budget statement reflects a change from that shown in  
17 the published proposed budget statement, a summary of such changes  
18 shall be published within twenty days after its adoption in the  
19 manner provided in this section, but without provision for hearing,  
20 setting forth the items changed and the reasons for such changes.

21 (2) Upon approval by the governing body, the budget shall  
22 be filed with the auditor. The auditor may review the budget for  
23 errors in mathematics, improper accounting, and noncompliance with  
24 the provisions of the Nebraska Budget Act. ~~or sections 13-518 to~~  
25 ~~13-522.~~ If the auditor detects such errors, he or she shall  
26 immediately notify the governing body of such errors. The  
27 governing body shall correct any such error as provided in section  
28 13-511. Warrants for the payment of expenditures provided in the

1 budget adopted under this section shall be valid notwithstanding  
2 any errors or noncompliance for which the auditor has notified the  
3 governing body.

4 Sec. 17. Section 13-508, Revised Statutes Supplement,  
5 2002, is amended to read:

6 13-508. (1) After publication and hearing thereon and  
7 within the time prescribed by law, each governing body shall file  
8 with and certify to the levying board or boards on or before  
9 September 20 of each year, or for Class I school districts, on or  
10 before August 1 of each year, and file with the auditor a copy of  
11 the adopted budget statement which complies with sections ~~13-518 to~~  
12 ~~13-522 or~~ 79-1023 to 79-1030 if applicable, together with the  
13 amount of the tax required to fund the adopted budget, setting out  
14 separately (a) the amount to be levied for the payment of principal  
15 or interest on bonds issued by the governing body and (b) the  
16 amount to be levied for all other purposes. Proof of publication  
17 shall be attached to the statements. The governing body, in  
18 certifying the amount required, may make allowance for delinquent  
19 taxes not exceeding five percent of the amount required plus the  
20 actual percentage of delinquent taxes for the preceding tax year  
21 and for the amount of estimated tax loss from any pending or  
22 anticipated litigation which involves taxation and in which tax  
23 collections have been or can be withheld or escrowed by court  
24 order. For purposes of this section, anticipated litigation shall  
25 be limited to the anticipation of an action being filed by a  
26 taxpayer who or which filed a similar action for the preceding year  
27 which is still pending. Except for such allowances, a governing  
28 body shall not certify an amount of tax more than one percent

1 greater or lesser than the amount determined under section 13-505.

2 (2) Each governing body shall use the final adjusted  
3 values as provided by the county assessor pursuant to section  
4 13-509 for the current year in setting or certifying the levy.  
5 Each governing body may designate one of its members to perform any  
6 duty or responsibility required of such body by this section.

7 Sec. 18. Section 13-511, Revised Statutes Supplement,  
8 2002, is amended to read:

9 13-511. (1) Unless otherwise provided by law, whenever  
10 during the current fiscal year or biennial period it becomes  
11 apparent to a governing body that (a) there are circumstances which  
12 could not reasonably have been anticipated at the time the budget  
13 for the current year or biennial period was adopted, or (b) ~~the~~  
14 ~~budget adopted violated sections 13-518 to 13-522, such that the~~  
15 ~~revenue of the current fiscal year or biennial period for any fund~~  
16 ~~thereof will be insufficient, additional expenses will be~~  
17 ~~necessarily incurred, or there is a need to reduce the budget~~  
18 ~~requirements to comply with sections 13-518 to 13-522, or (c) the~~  
19 governing body has been notified by the auditor of a mathematical  
20 or accounting error or noncompliance with the Nebraska Budget Act,  
21 such governing body may propose to revise the previously adopted  
22 budget statement and shall conduct a public hearing on such  
23 proposal.

24 (2) Notice of the time and place of the hearing shall be  
25 published at least five days prior to the date set for hearing in a  
26 newspaper of general circulation within the governing body's  
27 jurisdiction. Such published notice shall set forth (a) the time  
28 and place of the hearing, (b) the amount in dollars of additional

1 or reduced money required and for what purpose, (c) a statement  
2 setting forth the nature of the unanticipated circumstances and, if  
3 the budget requirements are to be increased, the reasons why the  
4 previously adopted budget of expenditures cannot be reduced during  
5 the remainder of the current year or biennial period to meet the  
6 need for additional money in that manner, (d) a copy of the summary  
7 of the originally adopted budget previously published, and (e) a  
8 copy of the summary of the proposed revised budget.

9 (3) At such hearing any taxpayer may appear or file a  
10 written statement protesting any application for additional money.  
11 A written record shall be kept of all such hearings.

12 (4) Upon conclusion of the public hearing on the proposed  
13 revised budget and approval of the proposed revised budget by the  
14 governing body, the governing body shall file with the county clerk  
15 of the county or counties in which such governing body is located,  
16 and with the auditor, a copy of the revised budget, as adopted.  
17 The governing body may then issue warrants in payment for  
18 expenditures authorized by the adopted revised budget. Such  
19 warrants shall be referred to as registered warrants and shall be  
20 repaid during the next fiscal year or biennial period from funds  
21 derived from taxes levied therefor.

22 (5) Within thirty days after the adoption of the budget  
23 under section 13-506, a governing body may, or within thirty days  
24 after notification of an error by the auditor, a governing body  
25 shall, correct an adopted budget which contains a clerical,  
26 mathematical, or accounting error which does not affect the total  
27 amount budgeted by more than one percent or increase the amount  
28 required from property taxes. No public hearing shall be required

1 for such a correction. After correction, the governing body shall  
2 file a copy of the corrected budget with the county clerk of the  
3 county or counties in which such governing body is located and with  
4 the auditor. The governing body may then issue warrants in payment  
5 for expenditures authorized by the budget.

6 Sec. 19. Section 13-1304, Reissue Revised Statutes of  
7 Nebraska, is amended to read:

8 13-1304. Any commission established under sections  
9 13-1301 to 13-1312 shall have power to:

10 (1) Sue and be sued;

11 (2) Have a seal and alter the same at pleasure;

12 (3) Acquire, hold, and dispose of personal property for  
13 its corporate purposes;

14 (4) Acquire in the name of the city and county, by gift,  
15 grant, bequest, purchase, or condemnation, real property or rights  
16 and easements thereon necessary or convenient for its corporate  
17 purposes and use the same so long as its corporate existence  
18 continues;

19 (5) Make bylaws for the management and regulation of its  
20 affairs and make rules and regulations for the use of its projects;

21 (6) With the consent of the city or the county, as the  
22 case may be, use the services of agents, employees, and facilities  
23 of the city or county, for which the commission may reimburse the  
24 city or the county their proper proportion of the compensation or  
25 cost thereof, and use the services of the city attorney as legal  
26 advisor to the commission;

27 (7) Appoint officers, agents, and employees and fix their  
28 compensation, except that the county treasurer shall be the ex

1 officio treasurer of the commission;

2           (8) Design, acquire, construct, maintain, operate,  
3 improve, remodel, remove, and reconstruct, so long as its corporate  
4 existence continues, such projects for the use both by the city and  
5 county as are approved by the city and the county and all  
6 facilities necessary or convenient in connection with any such  
7 projects;

8           (9) Enter into agreements with the city or county, or  
9 both, as to the operation, maintenance, repair, and use of its  
10 projects;

11           (10) With the approval of both the city and the county,  
12 enter into agreements with the United States of America, the State  
13 of Nebraska, any body, board, agency, corporation, or other  
14 governmental entity of either of them, or other governmental units  
15 for use by them of any projects to the extent that such use is not  
16 required by the city or the county;

17           (11) Make all other contracts, leases, and instruments  
18 necessary or convenient to the carrying out of the corporate  
19 purposes or powers of the commission;

20           (12) Annually levy, assess, and certify to the governing  
21 body of the county the amount of tax to be levied for the purposes  
22 of the commission, ~~subject to section 77-3443,~~ not to exceed one  
23 and seven-tenths cents on each one hundred dollars upon the taxable  
24 valuation of all the taxable property in the county. The governing  
25 body of the county shall collect the tax so certified at the same  
26 time and in the same manner as other county taxes are levied and  
27 collected, and the proceeds of such taxes when due and as collected  
28 shall be set aside and deposited in the special account or accounts

1 in which other revenue of the commission is deposited;

2 (13) Accept grants, loans, or contributions from the  
3 United States of America, the State of Nebraska, any agency or  
4 instrumentality of either of them, the city, the county, any other  
5 governmental unit, or any private person, firm, or corporation and  
6 expend the proceeds thereof for any corporate purposes;

7 (14) Incur debt, issue bonds and notes and provide for  
8 the rights of the holders thereof, and pledge and apply to the  
9 payment of such bonds and notes the taxes and other receipts,  
10 income, revenue, profits, and money of the commission;

11 (15) Enter on any lands, waters, and premises for the  
12 purpose of making surveys, findings, and examinations; and

13 (16) Do all things necessary or convenient to carry out  
14 the powers specially conferred on the commission by sections  
15 13-1301 to 13-1312.

16 Sec. 20. Section 13-2507, Revised Statutes Supplement,  
17 2002, is amended to read:

18 13-2507. (1) A joint public agency shall have only those  
19 powers of taxation as one or more of the participating public  
20 agencies has and only as specifically provided in the agreement  
21 proposing creation of the joint public agency, except that a joint  
22 public agency shall not levy a local option sales tax.  
23 Participating public agencies may agree to allow the joint public  
24 agency to levy a property tax rate not to exceed a limit as  
25 provided in the agreement if the agreement also limits the levy  
26 authority of the overlapping participating public agencies  
27 collectively to the same amount. ~~The levy authority of a joint~~  
28 ~~public agency shall be allocated by the city or county as provided~~

1 in section 77-3443, and the agreement may require allocation of  
2 levy authority by the city or county.

3 (2) If one or more of the participating public agencies  
4 is a municipality, the agreement may allow any occupation or wheel  
5 tax to be extended over the area encompassed by the joint public  
6 agency at a rate uniform to that of the city or village for the  
7 purpose of providing revenue to finance the services to be provided  
8 by the joint public agency. The tax shall not be extended until  
9 the procedures governing enactment by the municipality are followed  
10 by the joint public agency, including any requirement for a public  
11 vote.

12 (3) If the agreement calls for the allocation of property  
13 tax levy authority to the joint public agency, the amount of the  
14 allocation to the joint public agency and from each participating  
15 public agency shall be reported to the Property Tax Administrator.

16 Sec. 21. Section 13-2809, Revised Statutes Supplement,  
17 2002, is amended to read:

18 13-2809. (1) An area within the boundaries of a  
19 municipality which remains within the boundaries of a municipal  
20 county and is not consolidated into the municipal county at the  
21 time of the formation of the municipal county shall not be  
22 considered to be part of the municipal county for any purpose.  
23 Such a municipality shall not be annexed by the municipal county,  
24 and such a municipality shall not annex any territory, for at least  
25 four years after the date of creation of the municipal county.  
26 Such a municipality shall retain:

27 (a) The authority to levy property taxes; ~~not to exceed~~  
28 ~~ninety cents per one hundred dollars of taxable value except as~~



1 ~~provided in sections 77-3442 and 77-3444, and~~

2 (b) All the other powers and duties applicable to a  
3 municipality of the same population with the same form of  
4 government in effect on the date of creation of the municipal  
5 county, including, but not limited to, its zoning jurisdiction and  
6 the authority to impose a tax as provided in the Local Option  
7 Revenue Act.

8 (2) In order to provide economical and efficient  
9 services, a municipality within the boundaries of a municipal  
10 county may annex adjacent territory within the municipal county if  
11 the municipal county consents. Consent shall be granted if the  
12 services will be provided by the municipality within the annexed  
13 territory at less cost than similar services provided by the  
14 municipal county.

15 (3) All fire protection districts ~~subject to municipal~~  
16 ~~county levy authority under section 77-3443~~ which are within the  
17 boundaries of a municipal county shall continue to exist after  
18 formation of the municipal county.

19 Sec. 22. Section 13-2817, Revised Statutes Supplement,  
20 2002, is amended to read:

21 13-2817. (1) Any municipality that is within the  
22 boundaries of a municipal county that is not merged into the  
23 municipal county shall be required to pay the municipal county for  
24 services that were previously provided by the county and are not  
25 ordinarily provided by a municipality. Except as provided in  
26 subsection (2) of this section, the amount paid shall be equal to  
27 the attributable cost of county services times a ratio, the  
28 numerator of which is the total valuation of all municipalities

1 that are within the boundaries of the municipal county and the  
2 denominator of which is the total valuation of the municipal county  
3 and all municipalities and unconsolidated sanitary and improvement  
4 districts that are within the boundaries of the municipal county  
5 that are not merged into the municipal county, times a ratio the  
6 numerator of which is the valuation of the particular municipality  
7 and the denominator of which is the total valuation of all  
8 municipalities that are within the boundaries of the municipal  
9 county, except that (a) the amount paid shall not exceed the total  
10 taxable valuation of the municipality times forty-five hundredths  
11 of one percent and (b) the municipality shall not be required to  
12 pay the municipal county for fire protection or ambulance services.

13 (2) The amount paid for law enforcement by a municipality  
14 that is within the boundaries of a municipal county but is not  
15 merged into the municipal county shall be as follows: (a) If the  
16 county did not provide law enforcement services prior to the  
17 formation of the municipal county or if the municipality continues  
18 its own law enforcement services after formation of the municipal  
19 county, the total cost of services budgeted by the municipal county  
20 for law enforcement shall be the net cost of services that are the  
21 express and exclusive duties and responsibilities of the county  
22 sheriff by law times the same ratios calculated in subsection (1)  
23 of this section; (b) if the municipality discontinues providing law  
24 enforcement services after the formation of the municipal county  
25 (i) the municipal county shall provide a level of service in such  
26 municipality that is equal to the level provided in the area or  
27 areas of the municipal county that were municipalities prior to the  
28 formation of the municipal county and (ii) the municipality shall

1 pay the municipal county for the cost of county services for law  
2 enforcement as calculated in subsection (1) of this section, except  
3 that for the first five years, the amount shall be no more than the  
4 amount budgeted by the municipality for law enforcement services in  
5 the last year the municipality provided the services for itself;  
6 and (c) if the municipal county has deputized the police force of  
7 the municipality to perform the express and exclusive duties and  
8 responsibilities of the county sheriff by law, there shall be no  
9 amount paid to the municipal county for law enforcement services.

10 (3) Disputes regarding the amounts any municipality that  
11 is within the boundaries of a municipal county that is not merged  
12 into the municipal county must pay to the municipal county for  
13 services that were previously provided by the county and are not  
14 ordinarily provided by a municipality shall be heard in the  
15 district court of such municipal county.

16 (4) For purposes of this section and section 13-2818:

17 (a) Attributable ~~attributable~~ cost of county services  
18 means the total budgeted cost of services that were previously  
19 provided by the county for the immediately prior fiscal year times  
20 a ratio, the numerator of which is the property tax request of the  
21 municipal county or the county and all cities to be consolidated  
22 for the prior fiscal year, not including any tax for bonded  
23 indebtedness, and the denominator of which is the total of the  
24 restricted funds ~~as defined in section 13-518~~ plus inheritance  
25 taxes, fees, and charges and other revenue that were budgeted for  
26 the immediately prior fiscal year by the municipal county or the  
27 county and all cities to be consolidated; and

28 (b) Restricted funds means (i) property tax, excluding

1 any amounts refunded to taxpayers, (ii) payments in lieu of  
2 property taxes, (iii) local option sales taxes, (iv) motor vehicle  
3 taxes, (v) state aid, (vi) transfers of surpluses from any user  
4 fee, permit fee, or regulatory fee if the fee surplus is  
5 transferred to fund a service or function not directly related to  
6 the fee and the costs of the activity funded from the fee, (vii)  
7 any funds excluded from restricted funds for the prior year because  
8 they were budgeted for capital improvements but which were not  
9 spent and are not expected to be spent for capital improvements,  
10 (viii) the tax provided in sections 77-27,223 to 77-27,227  
11 beginning in the second fiscal year in which the county will  
12 receive a full year of receipts, and (ix) any excess tax  
13 collections returned to the county under section 77-1776.

14           Sec. 23.     Section 14-514, Revised Statutes Supplement,  
15 2002, is amended to read:

16           14-514. (1) The city council shall annually certify to  
17 the county clerk of the county in which the city is located, by  
18 resolution, the tax upon the taxable value of all the taxable  
19 property in such city, not to exceed fifty cents on each one  
20 hundred dollars, which the city desires to be levied as taxation  
21 for all municipal purposes for the ensuing year. ~~7 subject to the~~  
22 ~~levy limitations contained in section 77-3442.~~

23           (2) In addition to the tax set forth in subsection (1) of  
24 this section, the council shall also and further certify not less  
25 than fourteen cents on each one hundred dollars and such tax as may  
26 be necessary to pay bond issues maturing within the year or bond  
27 issues maturing in the near future, the object of this requirement  
28 being to create a fund to accomplish a partial retirement of the

1 bonded obligations of the city in such a manner as to avoid unusual  
2 and heavy levies during particular years when large maturities  
3 occur.

4 (3) The proceeds derived from each respective levy  
5 provided for in subsections (1) and (2) of this section shall be  
6 devoted exclusively and entirely to the purposes for which the levy  
7 is made. The certification provided for under such subsections  
8 shall be made before the county board of equalization has made its  
9 tax levy for each respective year.

10 Sec. 24. Section 14-1805, Revised Statutes Supplement,  
11 2002, is amended to read:

12 14-1805. For the purpose of accomplishing the object and  
13 purpose of the Transit Authority Law, the authority shall possess  
14 all the necessary powers of a public body corporate and  
15 governmental subdivision of the State of Nebraska, including, but  
16 not limited to, the following powers:

17 (1) To maintain a principal office in the city of the  
18 metropolitan class in which created;

19 (2) To adopt the official seal of the authority and to  
20 alter the same at its pleasure;

21 (3) To employ a general manager, engineers, accountants,  
22 attorneys, financial experts, and such other employees and agents  
23 as may be necessary in its judgment, to fix the compensation of and  
24 to discharge the same, to negotiate with employees and enter into  
25 contracts of employment, to employ persons singularly or  
26 collectively, and, with the consent of such city, to use the  
27 services of agents, employees, and facilities of such city,  
28 including the city attorney as legal advisor to such authority, for

1 which such authority shall reimburse such city a proper proportion  
2 of the compensation or cost thereof;

3 (4) To adopt bylaws and adopt and promulgate rules and  
4 regulations for the regulation of its affairs and for the conduct  
5 of its business;

6 (5) To acquire, lease, own, maintain, and operate for  
7 public service a public passenger transportation system, excluding  
8 taxicabs and railroad systems, within or without a city of the  
9 metropolitan class;

10 (6) To sue and be sued in its own name, but execution  
11 shall not, in any case, issue against any of its property, except  
12 that the lessor, vendor, or trustee under any agreement, lease,  
13 conditional sales contract, conditional lease contract, or  
14 equipment trust certificate, as provided for in subdivision (15) of  
15 this section, may repossess the equipment described therein upon  
16 default;

17 (7) To acquire, lease, and hold such real or personal  
18 property and any rights, interests, or easements therein as may be  
19 necessary or convenient for the purposes of the authority and to  
20 sell, assign, and convey the same;

21 (8) To make and enter into any and all contracts and  
22 agreements with any individual, public or private corporation or  
23 agency of the State of Nebraska, public or private corporation or  
24 agency of any state of the United States adjacent and contiguous to  
25 the city of the metropolitan class, and the United States of  
26 America as may be necessary or incidental to the performance of its  
27 duties and the execution of its powers under the Transit Authority  
28 Law and to enter into agreements authorized under the Interlocal

1 Cooperation Act or the Joint Public Agency Act;

2 (9) To contract with an operating and management company  
3 for the purpose of operating, servicing, and maintaining any public  
4 passenger transportation systems of such authority;

5 (10) To acquire and hold capital stock in any passenger  
6 transportation system, excluding taxicabs and railroad systems,  
7 solely for the purpose of lawfully acquiring the physical property  
8 of such corporation for public use;

9 (11) To borrow money and issue and sell negotiable bonds,  
10 notes, or other evidence of indebtedness, to provide for the rights  
11 of the holders thereof, and to pledge all or any part of the income  
12 of the authority received as herein provided to secure the payment  
13 thereof. The authority shall not have the power to pledge the  
14 credit or taxing power of the state or any political subdivision  
15 thereof, except such tax receipts as may be authorized herein, or  
16 to place any lien or encumbrance on any property owned by the  
17 state, county, or city used by the authority;

18 (12) To receive and accept from the government of the  
19 United States of America or any agency thereof, from the State of  
20 Nebraska or any subdivision thereof, and from any person or  
21 corporation, donations or loans or grants for or in aid of the  
22 acquisition or operation of passenger transportation facilities,  
23 and to administer, hold, use, and apply the same for the purposes  
24 for which such grants or donations may have been made;

25 (13) To exercise the right of eminent domain under and  
26 pursuant to the Constitution, statutes, and laws of the State of  
27 Nebraska to acquire private property, including any existing  
28 private passenger transportation system, but excluding any

1 taxicabs, railroad, and air passenger transportation systems, which  
2 is necessary for the passenger transportation purposes of the  
3 authority and including the right to acquire rights and easements  
4 across, under, or over the right-of-way of any railroad. Exercise  
5 of the right of eminent domain shall be pursuant to sections 76-704  
6 to 76-724;

7 (14) Subject to the continuing rights of the public to  
8 the use thereof, to use any public road, street, or other public  
9 way in any city of the metropolitan class for transportation of  
10 passengers;

11 (15) To purchase and dispose of equipment, including  
12 motor buses, and to execute any agreement, lease, conditional sales  
13 contract, conditional lease contract, and equipment trust note or  
14 certificate to effect such purpose;

15 (16) To pay for any equipment and rentals therefor in  
16 installments and to give evidence by equipment trust notes or  
17 certificates of any deferred installments, and title to such  
18 equipment need not vest in the authority until the equipment trust  
19 notes or certificates are paid;

20 (17) To certify annually to the local lawmaking body of  
21 the city of the metropolitan class such tax request for the fiscal  
22 year commencing on the first day of the following January as, in  
23 its discretion and judgment, the authority determines to be  
24 necessary, pursuant to section 14-1821. The local lawmaking body  
25 of such city of the metropolitan class is authorized to levy and  
26 collect such taxes in the same manner as other taxes in such city;  
27 ~~subject to section 77-3443,~~

28 (18) To apply for and accept grants and loans from the



1 government of the United States of America, or any agency or  
2 instrumentality thereof, to be used for any of the authorized  
3 purposes of the authority, and to enter into any agreement with the  
4 government of the United States of America, or any agency or  
5 instrumentality thereof, in relation to such grants or loans,  
6 subject to the provisions hereof;

7 (19) To determine routes and to change the same subject  
8 to the provisions hereof;

9 (20) To fix rates, fares, and charges for transportation.  
10 The revenue derived from rates, from the taxation herein provided,  
11 and from any grants or loans herein authorized shall at all times  
12 be sufficient in the aggregate to provide for the payment of: (a)  
13 All operating costs of the transit authority, (b) interest on and  
14 principal of all revenue bonds, revenue certificates, equipment  
15 trust notes or certificates, and other obligations of the  
16 authority, and to meet all other charges upon such revenue as may  
17 be provided by any trust agreement executed by such authority in  
18 connection with the issuance of revenue bonds or certificates under  
19 the Transit Authority Law, and (c) any other costs and charges,  
20 acquisition, installation, replacement, or reconstruction of  
21 equipment, structures, or rights-of-way not financed through the  
22 issuance of revenue bonds or certificates;

23 (21) To provide free transportation for firefighters and  
24 police officers in uniform in the city of the metropolitan class in  
25 which they are employed and for employees of such authority when in  
26 uniform or upon presentation of proper identification;

27 (22) To enter into agreements with the Post Office  
28 Department of the United States of America or its successors for

1 the transportation of mail and letter carriers and the payment  
2 therefor;

3 (23) To exercise all powers usually granted to  
4 corporations, public and private, necessary or convenient to carry  
5 out the powers granted by the Transit Authority Law; and

6 (24) To establish pension and retirement plans for  
7 officers and employees and to adopt any existing pension and  
8 retirement plans and any existing pension and retirement contracts  
9 for officers and employees of any passenger transportation system  
10 purchased or otherwise acquired pursuant to the Transit Authority  
11 Law.

12 Sec. 25. Section 14-1821, Reissue Revised Statutes of  
13 Nebraska, is amended to read:

14 14-1821. To assist in the defraying of all character of  
15 expense of the authority and to such extent as in its discretion  
16 and judgment may be necessary, the board shall annually certify a  
17 tax request for the fiscal year commencing on the following January  
18 1. Such tax request shall not exceed in any one year ten cents on  
19 each one hundred dollars on the taxable value of the taxable  
20 property in the city of the metropolitan class. The board shall by  
21 resolution, on or before September 20 of each year, certify such  
22 tax request to the city council of such city. Such city is hereby  
23 authorized to cause such tax to be levied and to be collected as  
24 are other taxes by the treasurer of such city or the county  
25 treasurer as ex officio treasurer of the city in which the city is  
26 situated and paid over by him or her to the treasurer of such board  
27 subject to the order of such board. ~~and subject to section~~  
28 ~~77-3443.~~ If in any year the full amount so certified and collected

1 is not needed for the current purposes of such authority, the  
2 balance shall be credited to reserves of such authority to be used  
3 for acquisition of necessary property and equipment.

4 Sec. 26. Section 16-702, Reissue Revised Statutes of  
5 Nebraska, is amended to read:

6 16-702. (1) ~~Subject to the limits in section 77-3442,~~  
7 ~~the~~ The mayor and council shall have power to levy and collect  
8 taxes for all municipal purposes on the taxable property within the  
9 corporate limits of the city. All city taxes, except special  
10 assessments otherwise provided for, shall become due on the first  
11 day of December of each year.

12 (2) At the time provided for by law, the council shall  
13 cause to be certified to the county clerk the amount of tax to be  
14 levied for purposes of the adopted budget statement on the taxable  
15 property within the corporation for the year then ensuing, as shown  
16 by the assessment roll for such year, including all special  
17 assessments and taxes assessed as hereinbefore provided. The clerk  
18 shall place the same on the proper tax list to be collected in the  
19 manner provided by law for the collection of county taxes in the  
20 county where such city is situated.

21 (3) In all sales for delinquent taxes for municipal  
22 purposes, if there are other delinquent taxes due from the same  
23 person or lien on the same property, the sales shall be for all the  
24 delinquent taxes. Such sales and all sales made under and by  
25 virtue of this section or the provisions of law herein referred to  
26 shall be of the same validity and, in all respects, shall be deemed  
27 and treated as though such sale had been made for the delinquent  
28 county taxes exclusively.

1           (4) The maximum amount of tax which may be certified,  
2 assessed, and collected for purposes of the adopted budget  
3 statement shall not require a tax levy in excess of eighty-seven  
4 and five-tenths cents on each one hundred dollars upon the taxable  
5 value of the taxable property within such municipality. Any  
6 special assessments, special taxes, amounts assessed as taxes, and  
7 such sums as may be authorized by law to be levied for the payment  
8 of outstanding bonds and debts may be made by the council in  
9 addition to the levy of eighty-seven and five-tenths cents on each  
10 one hundred dollars upon the taxable value of the taxable property  
11 within such municipality. The council may certify a further amount  
12 of tax to be levied which shall not require a tax levy in excess of  
13 seven cents on each one hundred dollars upon the taxable value of  
14 the taxable property within such city for the purpose of  
15 establishing the sinking fund or sinking funds authorized by  
16 sections 19-1301 to 19-1304, and in addition thereto, when required  
17 by section 18-501, a further levy of ten and five-tenths cents on  
18 each one hundred dollars upon the taxable value of the taxable  
19 property within such city may be imposed.

20           (5) Nothing in this section shall be construed to  
21 authorize an increase in the amounts of levies for any specific  
22 municipal purpose or purposes elsewhere limited by law, whether  
23 limited in specific sums or by tax levies.

24           Sec. 27. Section 16-1019, Reissue Revised Statutes of  
25 Nebraska, is amended to read:

26           16-1019. (1) The right to any benefits under the  
27 retirement system and the assets of any fund of the retirement  
28 system shall not be assignable or subject to execution,

1 garnishment, attachment, or the operation of any bankruptcy or  
2 insolvency laws, except that the retirement system may comply with  
3 the directions set forth in a qualified domestic relations order  
4 meeting the requirements of section 414(p) of the Internal Revenue  
5 Code. The city or retirement committee may require appropriate  
6 releases from any person as a condition to complying with any such  
7 order. The retirement system shall not recognize any domestic  
8 relations order which alters or changes benefits, provides for a  
9 form of benefit not otherwise provided for by the retirement  
10 system, increases benefits not otherwise provided by the retirement  
11 system, or accelerates or defers the time of payment of benefits.  
12 No participant or beneficiary shall have any right to any specific  
13 portion of the assets of the retirement system.

14           (2) The retirement system shall be administered in a  
15 manner necessary to comply with the tax-qualification requirements  
16 applicable to government retirement plans under section 401(a) of  
17 the Internal Revenue Code, including section 401(a)(9) relating to  
18 the time and manner in which benefits are required to be  
19 distributed, section 401(a)(16) relating to compliance with the  
20 maximum limitation on the plan benefits or contributions under  
21 section 415, section 401(a)(17) which limits the amount of  
22 compensation which can be taken into account under a retirement  
23 plan, and section 401(a)(25) relating to the specification of  
24 actuarial assumptions. Any requirements for compliance with  
25 section 401(a) of the Internal Revenue Code may be set forth in any  
26 trust or funding medium for the retirement system. This subsection  
27 shall be in full force and effect only so long as conformity with  
28 section 401(a) of the Internal Revenue Code is required for public

1 retirement systems in order to secure the favorable income tax  
2 treatment extended to sponsors and beneficiaries of tax-qualified  
3 retirement plans.

4 (3) If the retirement committee determines that the  
5 retirement system has previously overpaid or underpaid a benefit  
6 payable under sections 16-1001 to 16-1019, it shall have the power  
7 to correct such error. In the event of an overpayment, the  
8 retirement system may, in addition to any other remedy that the  
9 retirement system may possess, offset future benefit payments by  
10 the amount of the prior overpayment, together with regular interest  
11 thereon.

12 (4) A police officer whose benefit payment is adjusted by  
13 the retirement committee pursuant to subsection (3) of this section  
14 may request a review by the city council of the adjustment made by  
15 the retirement committee.

16 (5) In order to provide the necessary amounts to pay for  
17 or fund a pension plan established under sections 16-1001 to  
18 16-1019, the mayor and council may make a levy. ~~which is within~~  
19 ~~the levy restrictions of section 77-3442.~~

20 Sec. 28. Section 16-1038, Reissue Revised Statutes of  
21 Nebraska, is amended to read:

22 16-1038. (1) The right to any benefits under the  
23 retirement system and the assets of any fund of the retirement  
24 system shall not be assignable or subject to execution,  
25 garnishment, attachment, or the operation of any bankruptcy or  
26 insolvency laws, except that the retirement system may comply with  
27 the directions set forth in a qualified domestic relations order  
28 meeting the requirements of section 414(p) of the Internal Revenue

1 Code. The city or retirement committee may require appropriate  
2 releases from any person as a condition to complying with any such  
3 order. The retirement system shall not recognize any domestic  
4 relations order which alters or changes benefits, provides for a  
5 form of benefit not otherwise provided for by the retirement  
6 system, increases benefits not otherwise provided by the retirement  
7 system, or accelerates or defers the time of payment of benefits.  
8 No participant or beneficiary shall have any right to any specific  
9 portion of the assets of the retirement system.

10 (2) The retirement system shall be administered in a  
11 manner necessary to comply with the tax-qualification requirements  
12 applicable to government retirement plans under section 401(a) of  
13 the Internal Revenue Code, including section 401(a)(9) relating to  
14 the time and manner in which benefits are required to be  
15 distributed, section 401(a)(16) relating to compliance with the  
16 maximum limitation on the plan benefits or contributions under  
17 section 415, section 401(a)(17) which limits the amount of  
18 compensation which can be taken into account under a retirement  
19 plan, section 401(a)(25) relating to the specification of actuarial  
20 assumptions, and section 401(a)(31) relating to direct rollover  
21 distribution from qualified retirement plans. Any requirements for  
22 compliance with section 401(a) of the Internal Revenue Code may be  
23 set forth in any trust or funding medium for the retirement system.  
24 This subsection shall be in full force and effect only so long as  
25 conformity with section 401(a) of the Internal Revenue Code is  
26 required for public retirement systems in order to secure the  
27 favorable income tax treatment extended to sponsors and  
28 beneficiaries of tax-qualified retirement plans.

1           (3) If the retirement committee determines that the  
2 retirement system has previously overpaid or underpaid a benefit  
3 payable under sections 16-1020 to 16-1042, it shall have the power  
4 to correct such error. In the event of an overpayment, the  
5 retirement system may, in addition to any other remedy that the  
6 retirement system may possess, offset future benefit payments by  
7 the amount of the prior overpayment, together with regular interest  
8 thereon.

9           (4) A firefighter whose benefit payment is adjusted by  
10 the retirement committee pursuant to subsection (3) of this section  
11 may request a review by the city council of the adjustment made by  
12 the retirement committee.

13           (5) In order to provide the necessary amounts to pay for  
14 or fund a pension plan established under sections 16-1020 to  
15 16-1042, the mayor and council may make a levy. ~~which is within~~  
16 ~~the levy restrictions of section 77-3442.~~

17           Sec. 29. Section 17-702, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19           17-702. (1) The council or board of trustees of each  
20 city of the second class or village shall, at the time and in the  
21 manner provided by law, cause to be certified to the county clerk  
22 the amount of tax to be levied upon the taxable value of all the  
23 taxable property of the city or village which the city or village  
24 requires for the purposes of the adopted budget statement for the  
25 ensuing year, including all special assessments and taxes assessed  
26 as hereinbefore provided. The county clerk shall place the same on  
27 the property tax lists to be collected in the manner provided by  
28 law for the collection of county taxes in the county where such



1 city or village is situated. In all sales for any delinquent taxes  
2 for municipal purposes, if there are other delinquent taxes due  
3 from the same person or a lien on the same property, the sale shall  
4 be for all the delinquent taxes. Such sales and all sales made  
5 under or by virtue of this section or the provision of law herein  
6 referred to shall be of the same validity and in all respects be  
7 deemed and treated as though such sales had been made for the  
8 delinquent county taxes exclusively. ~~Subject to section 77-3442,~~  
9 ~~the~~ The maximum amount of tax which may be so certified, assessed,  
10 and collected shall not require a tax levy in excess of one dollar  
11 and five cents on each one hundred dollars upon the taxable value  
12 of all the taxable property within the corporate limits of such  
13 city or village for the purposes of the adopted budget statement,  
14 together with any special assessments or special taxes or amounts  
15 assessed as taxes and such sum as may be authorized by law for the  
16 payment of outstanding bonds and debts.

17 (2) ~~Within the limitation of section 77-3442, the~~ The  
18 council or board of trustees of each city of the second class or  
19 village may certify an amount to be levied not to exceed ten and  
20 five-tenths cents on each one hundred dollars upon the taxable  
21 value of all the taxable property within such city or village for  
22 the purpose of establishing the sinking fund or funds authorized by  
23 sections 19-1301 to 19-1304. Nothing contained in subsection (1)  
24 or (2) of this section shall be construed to authorize an increase  
25 in the amount of levies for any specific municipal purpose or  
26 purposes elsewhere limited by law, whether limited in specific sums  
27 or by tax levies.

28 (3) When required by section 18-501, an additional levy

1 of seven cents on each one hundred dollars upon the taxable value  
2 of all the taxable property within the city of the second class or  
3 village may be imposed.

4 Sec. 30. Section 18-1221, Reissue Revised Statutes of  
5 Nebraska, is amended to read:

6 18-1221. ~~Subject to the levy limitations contained in~~  
7 ~~section 77-3442, but notwithstanding~~ Notwithstanding any  
8 limitations in any other law or city home rule charter, any city or  
9 village of this state which provides a pension or retirement system  
10 for all or a portion of its employees shall levy a tax in addition  
11 to all other taxes in order to defray the cost to such city or  
12 village in meeting the obligations arising by reason of providing  
13 such pension or retirement system. The revenue so raised shall be  
14 limited to the amount required to defray the cost to such city or  
15 village in meeting the obligations arising by reason of providing  
16 such pension or retirement system, and shall be used for no other  
17 purpose.

18 Sec. 31. Section 18-2107, Reissue Revised Statutes of  
19 Nebraska, is amended to read:

20 18-2107. An authority shall constitute a public body  
21 corporate and politic, exercising public and essential governmental  
22 functions and having all the powers necessary or convenient to  
23 carry out and effectuate the purposes and provisions of the  
24 Community Development Law and sections 18-2147 to 18-2151,  
25 including the power:

26 (1) To sue and to be sued; to have a seal and to alter  
27 the same at pleasure; to have perpetual succession; to make and  
28 execute contracts and other instruments necessary or convenient to

1 the exercise of the powers of the authority; and to make and from  
2 time to time amend and repeal bylaws, rules, and regulations not  
3 inconsistent with the Community Development Law;

4 (2) To prepare or cause to be prepared and recommend  
5 redevelopment plans to the governing body of the city and to  
6 undertake and carry out redevelopment projects within its area of  
7 operation;

8 (3) To arrange or contract for the furnishing or repair,  
9 by any person or agency, public or private, of services,  
10 privileges, works, streets, roads, public utilities, or other  
11 facilities for or in connection with a redevelopment project; and,  
12 notwithstanding anything to the contrary contained in the Community  
13 Development Law or any other provision of law, to agree to any  
14 conditions that it may deem reasonable and appropriate attached to  
15 federal financial assistance and imposed pursuant to federal law  
16 relating to the determination of prevailing salaries or wages or  
17 compliance with labor standards, in the undertaking or carrying out  
18 of a redevelopment project, and to include in any contract let in  
19 connection with such a project provisions to fulfill such federally  
20 imposed conditions as it may deem reasonable and appropriate;

21 (4) Within its area of operation, to purchase, lease,  
22 obtain options upon, or acquire by gift, grant, bequest, devise,  
23 eminent domain, or otherwise any real or personal property or any  
24 interest therein, together with any improvements thereon, necessary  
25 or incidental to a redevelopment project; to hold, improve, clear,  
26 or prepare for redevelopment any such property; to sell, lease for  
27 a term not exceeding ninety-nine years, exchange, transfer, assign,  
28 subdivide, retain for its own use, mortgage, pledge, hypothecate,

1 or otherwise encumber or dispose of any real or personal property  
2 or any interest therein; to enter into contracts with redevelopers  
3 of property containing covenants, restrictions, and conditions  
4 regarding the use of such property for residential, commercial,  
5 industrial, or recreational purposes or for public purposes in  
6 accordance with the redevelopment plan and such other covenants,  
7 restrictions, and conditions as the authority may deem necessary to  
8 prevent a recurrence of substandard and blighted areas or to  
9 effectuate the purposes of the Community Development Law; to make  
10 any of the covenants, restrictions, or conditions of the foregoing  
11 contracts covenants running with the land and to provide  
12 appropriate remedies for any breach of any such covenants or  
13 conditions, including the right in the authority to terminate such  
14 contracts and any interest in the property created pursuant  
15 thereto; to borrow money, issue bonds, and provide security for  
16 loans or bonds; to establish a revolving loan fund; to insure or  
17 provide for the insurance of any real or personal property or the  
18 operation of the authority against any risks or hazards, including  
19 the power to pay premiums on any such insurance; to enter into any  
20 contracts necessary to effectuate the purposes of the Community  
21 Development Law; and to provide grants, loans, or other means of  
22 financing to public or private parties in order to accomplish the  
23 rehabilitation or redevelopment in accordance with a redevelopment  
24 plan. No statutory provision with respect to the acquisition,  
25 clearance, or disposition of property by other public bodies shall  
26 restrict an authority exercising powers hereunder, in such  
27 functions, unless the Legislature shall specifically so state;

28 (5) To invest any funds held in reserves or sinking funds

1 or any funds not required for immediate disbursement in property or  
2 securities in which savings banks or other banks may legally invest  
3 funds subject to their control; and to redeem its bonds at the  
4 redemption price established therein or to purchase its bonds at  
5 less than redemption price, and such bonds redeemed or purchased  
6 shall be canceled;

7 (6) To borrow money and to apply for and accept advances,  
8 loans, grants, contributions, and any other form of financial  
9 assistance from the federal government, from the state, county,  
10 municipality, or other public body, or from any sources, public or  
11 private, including charitable funds, foundations, corporations,  
12 trusts, or bequests, for purposes of the Community Development Law,  
13 to give such security as may be required, and to enter into and  
14 carry out contracts in connection therewith; and notwithstanding  
15 any other provision of law, to include in any contract for  
16 financial assistance with the federal government for a  
17 redevelopment project such conditions imposed pursuant to federal  
18 law as the authority may deem reasonable and appropriate and which  
19 are not inconsistent with the purposes of the Community Development  
20 Law;

21 (7) Acting through one or more members of an authority or  
22 other persons designated by the authority, to conduct examinations  
23 and investigations and to hear testimony and take proof under oath  
24 at public or private hearings on any matter material for its  
25 information; to administer oaths and to issue commissions for the  
26 examination of witnesses who are outside of the state or unable to  
27 attend before the authority or excused from attendance; and to make  
28 available to appropriate agencies or public officials, including

1 those charged with the duty of abating or requiring the correction  
2 of nuisances or like conditions, demolishing unsafe or insanitary  
3 structures, or eliminating conditions of blight within its area of  
4 operation, its findings and recommendations with regard to any  
5 building or property where conditions exist which are dangerous to  
6 the public health, safety, morals, or welfare;

7 (8) Within its area of operation, to make or have made  
8 all surveys, appraisals, studies, and plans, but not including the  
9 preparation of a general plan for the community, necessary to the  
10 carrying out of the purposes of the Community Development Law and  
11 to contract or cooperate with any and all persons or agencies,  
12 public or private, in the making and carrying out of such surveys,  
13 appraisals, studies, and plans;

14 (9) To prepare plans and provide reasonable assistance  
15 for the relocation of families, business concerns, and others  
16 displaced from a redevelopment project area to permit the carrying  
17 out of the redevelopment project to the extent essential for  
18 acquiring possession of and clearing such area or parts thereof;  
19 and to make relocation payments to or with respect to such persons  
20 for moving expenses and losses of property for which reimbursement  
21 or compensation is not otherwise made, including the making of such  
22 payments financed by the federal government;

23 (10) To make such expenditures as may be necessary to  
24 carry out the purposes of the Community Development Law; and to  
25 make expenditures from funds obtained from the federal government  
26 without regard to any other laws pertaining to the making and  
27 approval of appropriations and expenditures;

28 (11) To certify on or before September 20 of each year to

1 the governing body of the city the amount of tax to be levied for  
2 the succeeding fiscal year for community redevelopment purposes,  
3 not to exceed two and six-tenths cents on each one hundred dollars  
4 upon the taxable value of the taxable property in such city. ~~7~~  
5 ~~which levy is subject to allocation under section 77-3443 on and~~  
6 ~~after July 1, 1998.~~ The governing body shall levy and collect the  
7 taxes so certified at the same time and in the same manner as other  
8 city taxes are levied and collected, and the proceeds of such  
9 taxes, when due and as collected, shall be set aside and deposited  
10 in the special account or accounts in which other revenue of the  
11 authority is deposited. Such proceeds shall be employed to assist  
12 in the defraying of any expenses of redevelopment plans and  
13 projects, including the payment of principal and interest on any  
14 bonds issued to pay the costs of any such plans and projects;

15 (12) To exercise all or any part or combination of powers  
16 granted in this section; and

17 (13) To plan, undertake, and carry out neighborhood  
18 development programs consisting of redevelopment project  
19 undertakings and activities in one or more community redevelopment  
20 areas which are planned and carried out on the basis of annual  
21 increments in accordance with the Community Development Law and  
22 sections 18-2145 and 18-2146 for planning and carrying out  
23 redevelopment projects.

24 Sec. 32. Section 18-2609, Revised Statutes Supplement,  
25 2002, is amended to read:

26 18-2609. Any municipality may by ordinance issue bonds  
27 in one or more series for the construction or acquisition of an  
28 infrastructure project or any portion thereof and pay the principal

1 of and interest on any such bonds by pledging funds received from  
2 the fund. Such bonds shall have a final maturity not later than  
3 August 1, 2009, and the aggregate debt service payments and related  
4 expenses with respect to all series of such bonds for any  
5 twelve-month period during which such bonds are outstanding shall  
6 not exceed the anticipated receipts from the fund by such  
7 municipality. For purposes of this section, anticipated receipts  
8 means the amount received by the municipality from the fund for the  
9 twelve-month period immediately preceding the date of issuance of  
10 such bonds.

11 Any municipality which has or may issue bonds under this  
12 section may dedicate a portion of its property tax levy authority  
13 as provided in section ~~77-3442~~ to meet debt service obligations  
14 under the bonds, but only to the extent the receipts from the fund  
15 pledged to the payment of such bonds and any other money made  
16 available and used for that purpose are insufficient to pay the  
17 principal of and interest on such bonds as they mature.

18 Sec. 33. Section 19-1309, Reissue Revised Statutes of  
19 Nebraska, is amended to read:

20 19-1309. Notwithstanding provisions in the statutes of  
21 Nebraska to the contrary, for any fiscal year the governing body of  
22 any city of the first class, city of the second class, or village  
23 may decide to certify to the county clerk for collection one  
24 all-purpose levy required to be raised by taxation for all  
25 municipal purposes instead of certifying a schedule of levies for  
26 specific purposes added together. ~~Subject to the limits in section~~  
27 ~~77-3442, the~~ The all-purpose levy shall not exceed an annual levy  
28 of eighty-seven and five-tenths cents on each one hundred dollars



1 for cities of the first class and one dollar and five cents on each  
2 one hundred dollars for cities of the second class and villages  
3 upon the taxable valuation of all the taxable property in such city  
4 or village. Otherwise authorized extraordinary levies to service  
5 and pay bonded indebtedness of such municipalities may be made by  
6 such municipalities in addition to such all-purpose levy.

7 Sec. 34. Section 19-3315, Revised Statutes Supplement,  
8 2002, is amended to read:

9 19-3315. The mayor and city council may by resolution  
10 levy and assess taxes and assessments as follows:

11 (1) A property tax within any district of not to exceed  
12 thirty-five cents on each one hundred dollars of taxable valuation  
13 of taxable property within such district ~~subject to section 77-3443~~  
14 to pay all or any part of the cost to improve, repair, maintain,  
15 reconstruct, operate, or acquire any offstreet parking facility and  
16 to pay principal and interest on any bonds issued for an offstreet  
17 parking facility for such district. Such tax shall be levied and  
18 collected at the same time and under the same provisions as the  
19 regular general city tax. The taxes collected from any district  
20 shall be used only for the benefit of such district; ~~For~~  
21 ~~purposes of subsection (2) of section 77-3443, the tax shall be~~  
22 ~~counted in the allocation by the city proportionately, by dividing~~  
23 ~~the total taxable valuation of the taxable property within the~~  
24 ~~district by the total taxable valuation of the taxable property~~  
25 ~~within the city multiplied by the levy of the district,~~

26 (2) A special assessment against the real property  
27 located in such district to the extent of the special benefit  
28 thereto for the purpose of paying all or any part of the total

1 costs and expenses of acquisition, including construction, of an  
2 offstreet parking facility in such district. The special  
3 assessment shall be levied as provided in section 19-3314. In the  
4 event that subsequent to the levy of assessments the use of any  
5 parcel of land changes so that, had the new use existed at the time  
6 of making such levy, the assessment on such parcel would have been  
7 higher than the assessment actually made, an additional assessment  
8 may be made on such parcel by the mayor and city council taking  
9 into consideration the new and changed use of the property. The  
10 total amount of assessments levied under this subdivision shall not  
11 exceed the total costs and expenses of acquiring a facility defined  
12 in section 19-3313. The levy of an additional assessment shall not  
13 reduce or affect in any manner the assessments previously levied.  
14 Additional assessments shall be levied as provided in section  
15 19-3314, except that published notice may be omitted if notice is  
16 personally served on the owner at least twenty days prior to the  
17 date of hearing. All assessments levied under this subdivision  
18 shall constitute a sinking fund for the payment of principal and  
19 interest on bonds issued for such facility as provided by section  
20 19-3317 until such bonds and interest are fully paid; and

21 (3) A special assessment against the real property  
22 located in such district to the extent of special benefit thereto  
23 for the purpose of paying all or any part of the costs of  
24 maintenance, repair, and reconstruction of such offstreet parking  
25 facility in the district. The mayor and city council may levy such  
26 assessments under either of the following methods: (a) The mayor  
27 and city council may, not more frequently than annually, determine  
28 the costs of maintenance, repair, and reconstruction of such

1 facility and such costs shall be assessed to the real property  
2 located in such district as provided by section 19-3314. At the  
3 hearing on such assessments, objections may be made to the total  
4 costs and the proposed allocation of such costs among the parcels  
5 of real property in such district; or (b) after notice is given to  
6 the owners as provided in section 19-3314, the mayor and city  
7 council may establish and may change from time to time the  
8 percentage of such costs of maintenance, repair, and reconstruction  
9 which each parcel of real property in any district shall pay.  
10 Thereafter, the mayor and city council shall annually determine the  
11 total amount of such costs for each period since costs were last  
12 assessed and shall after a hearing assess such costs to the real  
13 property in the district in accordance with the percentages  
14 previously established or as established at such hearing. Notice  
15 of such hearing shall be given as provided in section 19-3314 and  
16 shall state the total cost and percentage to be assessed to each  
17 parcel of real property. Unless written objections are filed with  
18 the city clerk at least five days before the hearing, all  
19 objections to the amount of total costs and the assessment  
20 percentages shall be deemed to have been waived and assessments  
21 shall be levied as stated in such notice unless the mayor and city  
22 council reduce any assessment. At such hearing, the assessment  
23 percentage for the assessment of costs in the future may be  
24 changed.

25           Sec. 35.     Section 23-119, Reissue Revised Statutes of  
26 Nebraska, is amended to read:

27           23-119. It shall be the duty of the county board of each  
28 county to cause to be annually levied and collected taxes

1 authorized by law for county purposes. ~~The levy shall be subject~~  
2 ~~to the limit established by section 77-3442.~~

3 Sec. 36. Section 23-125, Revised Statutes Supplement,  
4 2002, is amended to read:

5 23-125. Whenever the county board deems it necessary to  
6 assess taxes the aggregate of which exceeds the rate of fifty cents  
7 on every one hundred dollars of the taxable value of all the  
8 taxable property in such county, the county board may, by an order  
9 entered of record, set forth substantially the amount of such  
10 excess required and the purpose for which the same will be  
11 required, and if for the payment of interest, principal, or both  
12 upon bonds, such order shall in a general way designate the bonds  
13 and specify the number of years such excess must be levied and  
14 provide for the submission of the question of assessing the  
15 additional rate required to a vote of the people of the county at  
16 the next election for county officers after the adoption of the  
17 resolution or at a special election ordered by the county board for  
18 that purpose. If the proposition for such additional tax is  
19 carried, the same shall be paid in money and in no other manner.  
20 The additional tax shall not have a duration greater than five  
21 years. ~~The additional tax is excluded from the limitation in~~  
22 ~~section 77-3442 as provided by section 77-3444.~~

23 Sec. 37. Section 23-224, Reissue Revised Statutes of  
24 Nebraska, is amended to read:

25 23-224. The electors present at the annual town meeting  
26 shall have power:

27 (1) To make all orders for sale, conveyance, regulation,  
28 or use of the corporate property of the town that may be deemed to

1 be conducive to the interests of the inhabitants;

2 (2) To take all necessary measures and give directions  
3 for the exercise of their corporate powers;

4 (3) To provide for the institution, defense, or  
5 disposition of suits at law or in equity in which the town is  
6 interested;

7 (4) To take such action as shall induce the planting and  
8 cultivation of trees along the highways in such towns and to  
9 protect and preserve trees standing along or on highways;

10 (5) To construct and keep in repair public wells and to  
11 regulate the use thereof;

12 (6) To prevent the exposure or deposit of offensive or  
13 injurious substances within the limits of the town;

14 (7) To make such bylaws, rules, and regulations as may be  
15 deemed necessary to carry into effect the powers herein granted and  
16 to impose such fines and penalties, not exceeding twenty dollars  
17 for one offense, as shall be deemed proper, except when a fine or  
18 penalty is already allowed by law, which fine or penalty shall be  
19 imposed by the county court;

20 (8) To direct the raising of money by taxation, subject  
21 to approval by the county board, (a) for constructing and repairing  
22 roads and bridges within the town to the extent allowed by law; (b)  
23 for the prosecution or defense of suits by or against the town or  
24 in which it is interested; (c) for any other purpose required by  
25 law; (d) for the purpose of building or repairing bridges over  
26 streams dividing the town from any other town; (e) for the  
27 compensation of town officers at the rate allowed by law and, when  
28 no rate is fixed for such amount, as the electors may direct; and

1 (f) for the care and maintenance of abandoned or neglected  
2 cemeteries within the town, except that the town board shall not  
3 expend more than one hundred dollars in any one year for such  
4 purposes. When any county discontinues township organization, the  
5 county shall care for and maintain such abandoned or neglected  
6 cemeteries;

7 (9) To guard against the destruction of property in the  
8 town by prairie fire;

9 (10) To restrain, regulate, or prohibit the running at  
10 large of cattle, horses, mules, asses, swine, sheep, and goats and  
11 determine when such animals may go at large, if at all. All votes  
12 thereon shall be by ballot;

13 (11) To authorize the distraining, impounding, and sale  
14 of cattle, horses, mules, asses, sheep, goats, and swine for  
15 penalties incurred and costs of proceedings. The owner of such  
16 animals shall have the right to redeem the same from the purchaser  
17 thereof at any time within one month from the day of sale by paying  
18 the amount of the purchaser's bid, with reasonable costs for their  
19 keeping and interest at the rate of seven percent per annum; and

20 (12) To purchase, hold, plat, improve, and maintain  
21 grounds for cemetery purposes; to sell and convey lots in such  
22 cemeteries for the burial of the dead and to contract with the  
23 purchaser to perpetually care for and keep in order the lots so  
24 sold; and to elect trustees who shall have power to manage such  
25 cemetery under such bylaws as the electors of the township at the  
26 annual town meeting shall from time to time adopt. When any county  
27 discontinues township organization, the county shall care for and  
28 maintain such abandoned or neglected cemeteries. + and

1           ~~(13) To hold an election or town meeting to exceed the~~  
2   ~~levy limits established by section 77-3443.~~

3           Sec. 38. Section 23-355.01, Revised Statutes Supplement,  
4   2002, is amended to read:

5           23-355.01.     (1) Whenever there is organized within any  
6   county in this state a nonprofit county historical association or  
7   society organized under the corporation laws of this state, a tax  
8   of not more than three-tenths of one cent on each one hundred  
9   dollars upon the taxable value of all the taxable property in such  
10   county may be levied for the purpose of establishing a fund to be  
11   used for the establishment, management, and purchase of exhibits,  
12   equipment, and other personal property and real property and  
13   maintenance of such nonprofit county historical association or  
14   society, including the construction and improvement of necessary  
15   buildings therefor. The levy shall be part of the levy of the  
16   county. ~~subject to section 77-3442.~~ Such fund shall be paid by  
17   the county treasurer to the treasurer of such nonprofit county  
18   historical association or society and shall be disbursed under the  
19   direction and supervision of the board of directors and officers of  
20   such nonprofit county historical association or society. No  
21   initial levy shall be made for such purpose unless the proposition  
22   to make such levy is first submitted to a vote of the people of the  
23   county at a general election and the same is ordered by a majority  
24   of the legal voters voting thereon. The proposition to make such  
25   levy shall be placed on the ballot by the county board of such  
26   county at the next general election following the receipt of a  
27   request from the board of directors of such nonprofit county  
28   historical association or society to submit such proposition to the

1 voters of the county. After the proposition has been sanctioned by  
2 a vote of the people, such levy shall be made to carry out the  
3 purposes for which the fund was established. A nonprofit county  
4 historical association or society for which a tax is levied under  
5 this subsection is subject to the Nebraska Budget Act. The  
6 electors of the county may discontinue such levy by a vote of the  
7 people in the same manner that the initial levy was authorized.  
8 The proposition to discontinue such levy shall be placed on the  
9 ballot by the county board of such county at a general election  
10 only when requested so to do by a petition signed by at least  
11 twenty percent of the legal voters of such county based on the  
12 total vote cast for Governor at the last general election in the  
13 county.

14 (2) A nonprofit county historical association or society  
15 that is not receiving funds from a levy under subsection (1) of  
16 this section may request funding from the county. Approval of part  
17 or the entire funding request by the county board shall result in  
18 inclusion of the funding request in the county budget and an  
19 obligation to provide the funding set out in the county budget.  
20 The failure by the county to provide the funding for an approved  
21 request may be enforced by making a claim against the county. The  
22 funding shall be paid to the treasurer of the nonprofit county  
23 historical association or society. A nonprofit county historical  
24 association or society that is receiving funding under this  
25 subsection shall not be subject to the Nebraska Budget Act unless  
26 the approved request is more than five thousand dollars. If the  
27 approved request is more than five thousand dollars, the county  
28 shall include the budget and audit of the nonprofit county



1 historical association or society with the county budget and audit.

2           Sec. 39.     Section 23-501, Revised Statutes Supplement,  
3 2002, is amended to read:

4           23-501.     Whenever it is deemed necessary to erect a  
5 courthouse, jail, or other public county buildings in any county in  
6 this state, the county board may and, upon petition of not less  
7 than one-fourth of the registered voters of the county as shown by  
8 the list of registered voters of the last previous general  
9 election, shall submit to the people of the county to be voted upon  
10 at a general election or at a special election called by the county  
11 board for that purpose a proposition to vote a special annual tax  
12 for that purpose of not to exceed three and five-tenths cents on  
13 each one hundred dollars upon the taxable value of all the taxable  
14 property in such county for a term of not to exceed five years.  
15 ~~The special annual tax is excluded from the limitation in section~~  
16 ~~77-3442 as provided by section 77-3444.~~

17           Sec. 40.     Section 23-2909, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19           23-2909.    The board of trustees shall annually fix the  
20 amount of money for the proposed budget statement as may be deemed  
21 sufficient and necessary for carrying out the proposed policy in  
22 regard to the contemplated building or buildings for the ensuing  
23 fiscal year.     After the adoption of the district's budget  
24 statement, the president and secretary shall certify the amount to  
25 be received from taxation, according to the adopted budget  
26 statement, to the proper county clerk or county clerks and the  
27 proper county board or boards which may levy a tax, ~~subject to~~  
28 ~~section 77-3443,~~ not to exceed the amount so certified nor to

1 exceed one and seven-tenths cents on each one hundred dollars upon  
2 the taxable value of all the taxable property in such district, for  
3 the acquisition or maintenance of the building or buildings in the  
4 district for the fiscal year as provided by law. Such tax shall be  
5 collected as other taxes are collected in the county by the county  
6 treasurer, shall be placed to the credit of the district so  
7 authorizing the same, and shall be paid to the treasurer of the  
8 district upon warrants drawn upon the fund by the board of trustees  
9 of the district. Such warrants shall bear the signature of the  
10 president and the countersignature of the secretary of the  
11 district. The amount of the tax levy shall not exceed the amount  
12 of funds required to defray the expenses of the district for a  
13 period of one year as set forth in the adopted budget statement.

14 Sec. 41. Section 23-3552, Reissue Revised Statutes of  
15 Nebraska, is amended to read:

16 23-3552. (1) The board of directors may, after the  
17 adoption of the budget statement, levy and collect an annual tax  
18 which the district requires under the adopted budget statement to  
19 be received from taxation for the ensuing fiscal year not to exceed  
20 three and five-tenths cents on each one hundred dollars of the  
21 taxable value of the taxable property within such district. ~~On and~~  
22 ~~after July 1, 1998, the tax levy provided in this subsection is~~  
23 ~~subject to section 77-3443.~~

24 (2) In addition to the levy authorized in subsection (1)  
25 of this section, the board of directors of a hospital district may  
26 authorize an additional annual tax not to exceed three and  
27 five-tenths cents on each one hundred dollars of the taxable value  
28 of the taxable property within such district. ~~On and after July 1,~~

1 1998, the tax levy provided in this subsection is subject to  
2 ~~section 77-3443.~~ Such tax shall not be authorized until the  
3 question of such additional tax has been submitted to the qualified  
4 electors of the district at a primary or general election or a  
5 special election called for that purpose and a majority of those  
6 voting approve the additional tax. Notice of the time and place of  
7 the special election shall be given by publication at least once  
8 each week in a legal newspaper of general circulation in the  
9 district for three successive weeks immediately preceding such  
10 election.

11 (3) ~~Until July 1, 1998, the~~ The taxes authorized by  
12 subsections (1) and (2) of this section shall not be included  
13 within the levy limitations for general county purposes prescribed  
14 in ~~section 23-119 or~~ Article VIII, section 5, of the Constitution  
15 of Nebraska. ~~On and after July 1, 1998, the taxes authorized by~~  
16 ~~subsections (1) and (2) of this section shall not be included~~  
17 ~~within the levy limitations for general county purposes prescribed~~  
18 ~~in section 77-3442 or Article VIII, section 5, of the Constitution~~  
19 ~~of Nebraska.~~ ~~On and after July 1, 1998, for purposes of section~~  
20 ~~77-3443, the county board of each of the counties having land~~  
21 ~~embraced within the district shall approve the tax levy.~~

22 (4) The taxes authorized by subsections (1) and (2) of  
23 this section shall not be used to support or supplement the  
24 operations of health care services or facilities located outside  
25 the geographic boundaries of the district.

26 (5) The board shall annually, on or before September 20,  
27 certify the taxes authorized by this section to the county clerk of  
28 each of the counties having land embraced within such district.

1 The county clerk shall extend such levies on the tax list, and the  
2 county treasurer shall collect the tax in the same manner as county  
3 taxes and shall remit the taxes collected to the county treasurer  
4 of the county in which the petition for the formation of the  
5 district was filed. The county treasurer shall credit the local  
6 hospital district with the amount thereof and make disbursements  
7 therefrom on warrants of the district signed by the chairperson and  
8 secretary-treasurer of the board of directors.

9 Sec. 42. Section 23-3616, Reissue Revised Statutes of  
10 Nebraska, is amended to read:

11 23-3616. For the purpose of owning, operating,  
12 constructing, maintaining, and equipping a sewerage disposal system  
13 and plant or plants as authorized by the County Industrial Sewer  
14 Construction Act or improving or extending an existing system, a  
15 county may make a special levy known as the sewer tax levy not to  
16 exceed three and five-tenths cents on each one hundred dollars upon  
17 the actual value of all the taxable property within any such  
18 county. ~~subject to section 77-3443.~~ Any levy exceeding such  
19 amount for the purposes of such act shall be submitted for approval  
20 to the registered voters of the county at a general election or  
21 special election called for such purpose. The proceeds of such  
22 levy shall be used only for the purposes enumerated in this section  
23 and for no other purpose.

24 Sec. 43. Section 29-3933, Revised Statutes Supplement,  
25 2002, is amended to read:

26 29-3933. (1) Any county which intends to request  
27 reimbursement for a portion of its expenditures for its indigent  
28 defense system must comply with this section.

1           (2) In order to assist the Commission on Public Advocacy  
2 in its budgeting process for determining future reimbursement  
3 amounts, after July 1, 2002, and before July 15, 2002, and for each  
4 year thereafter in which the county intends to seek reimbursement  
5 for a portion of its expenditures for indigent defense services in  
6 felony cases for the next fiscal year, the county shall present to  
7 the Commission on Public Advocacy (a) a plan, in a format approved  
8 by the commission, describing how the county intends to provide  
9 indigent defense services in felony cases, (b) a statement of  
10 intent declaring that the county intends to comply with the  
11 standards set by the commission for felony cases and that the  
12 county intends to apply for reimbursement, and (c) a projection of  
13 the total dollar amount of expenditures for that county's indigent  
14 defense services in felony cases for the next fiscal year.

15           (3) The commission may conduct whatever investigation is  
16 necessary and may require certifications by key individuals in the  
17 criminal justice system, in order to determine if the county is in  
18 compliance with the standards. If a county is certified by the  
19 commission as having met the standards established by the  
20 commission for felony cases, the county shall be eligible for  
21 reimbursement according to the following schedule and procedures:  
22 The county clerk of the county seeking reimbursement may submit, on  
23 a quarterly basis, a certified request to the commission, for  
24 reimbursement from funds appropriated by the Legislature, for an  
25 amount equal to one-fourth of the county's actual expenditures for  
26 indigent defense services in felony cases.

27           (4) Upon certification by the county clerk of the amount  
28 of the expenditures, and a determination by the commission that the

1 request is in compliance with the standards set by the commission  
2 for felony cases, the commission shall quarterly authorize an  
3 amount of reimbursement to the county as set forth in this section.

4 (5) If the appropriated funds are insufficient in any  
5 quarter to meet the amount needed for full payment of all county  
6 reimbursements for net expenditures that are certified for that  
7 quarter, the commission shall pay the counties their pro rata share  
8 of the remaining funds based upon the percentage of the county's  
9 certified request in comparison to the total certified requests for  
10 that quarter.

11 ~~(6) For purposes of section 13-519, for any year in which~~  
12 ~~a county first seeks reimbursement from funds appropriated by the~~  
13 ~~Legislature or has previously qualified for reimbursement and is~~  
14 ~~seeking additional reimbursement for improving its indigent~~  
15 ~~criminal defense program, the last prior year's total of restricted~~  
16 ~~funds shall be the last prior year's total of restricted funds plus~~  
17 ~~any increased amount budgeted for indigent defense services that is~~  
18 ~~required to develop a plan and meet the standards necessary to~~  
19 ~~qualify for reimbursement of expenses from funds appropriated by~~  
20 ~~the Legislature.~~

21 Sec. 44. Section 31-411.02, Reissue Revised Statutes of  
22 Nebraska, is amended to read:

23 31-411.02. The board of directors having adopted the  
24 plans of public works and the tax levy method of financing shall  
25 prepare an itemized budget of funds necessary to carry out the  
26 authorities granted under sections 31-401 to 31-450 and transmit  
27 such budget to the county board of the county or counties involved.  
28 Thereupon the board of directors shall cause to be published, once

1 each week for three consecutive weeks in a newspaper of general  
2 circulation in the district, a copy of the itemized budget of funds  
3 necessary to carry out the authorities granted under such sections  
4 and a statement of the total taxable value of the taxable property  
5 in the drainage district. If portions of the drainage district are  
6 in more than one county, the county assessors involved shall  
7 ratably apportion such amounts of the total budget requested  
8 between the counties based on the total taxable value of the  
9 taxable property within the drainage district and transmit and  
10 certify the prorated portion to the respective county boards of  
11 each county involved. The county board may levy a tax sufficient  
12 to raise the amount of funds requested but not to exceed ten and  
13 five-tenths cents on each one hundred dollars upon the taxable  
14 value of the taxable property in the drainage district. ~~Such levy~~  
15 ~~shall be subject to section 77-3443.~~ The tax so levied shall be  
16 collected in the same manner as other property taxes, and the  
17 proceeds therefrom shall be kept in a separate account identified  
18 by the official name of the drainage district. The county  
19 treasurer shall transfer such funds to the drainage district as  
20 requested by the board of directors.

21 The board of directors shall provide a legal description  
22 and map of the boundaries of the district and transmit such  
23 information to the county assessor of the county or counties  
24 involved who shall indicate for the use of the county treasurer  
25 such information on the tax rolls. The county assessor shall also  
26 provide the county treasurer with the taxable value of the taxable  
27 personal property of each property owner within the drainage  
28 district which shall also be taxed at the same rate as real

1 property.

2           When the property tax rolls and the taxable value of the  
3 taxable personal property of each taxpayer are received by the  
4 county treasurer from the county assessor as required by sections  
5 31-401 to 31-450, the county treasurer shall compute the tax due  
6 the drainage district from each taxpayer in accordance with the  
7 rate required to meet the budget request but not to exceed a levy  
8 of ten and five-tenths cents on each one hundred dollars upon the  
9 taxable value of the taxable property of the district. If a  
10 drainage district needs additional funds to pay outstanding  
11 warrants issued under section 31-416, the property owners within  
12 such district may, by majority vote of those voting in an election  
13 authorized by the board of directors of such district and conducted  
14 according to section 31-407, approve the issuance of bonds which  
15 shall be paid by an additional levy.

16           Sec. 45. Section 32-559, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18           32-559. ~~Except as provided in section 77-3444, any~~ Any  
19 issue to be submitted to the registered voters at a special  
20 election by a political subdivision shall be certified by the clerk  
21 of the political subdivision to the election commissioner or county  
22 clerk at least fifty days prior to the election. A special  
23 election may be held by mail as provided in sections 32-952 to  
24 32-959. No special election to be conducted by the election  
25 commissioner or county clerk shall be held within thirty days prior  
26 to or sixty days after the statewide primary election, and no  
27 special election to be conducted by the election commissioner or  
28 county clerk shall be held within thirty days prior to or sixty



1 days after the statewide general election.

2           In lieu of submitting the issue at a special election,  
3 any political subdivision may submit the issue at a statewide  
4 primary or general election or at any scheduled county election,  
5 except that no such issue shall be submitted at a statewide  
6 election or scheduled county election unless the issue to be  
7 submitted has been certified by the clerk of the political  
8 subdivision to the election commissioner or county clerk by March 1  
9 for the primary election and by September 1 for the general  
10 election. After the election commissioner or county clerk has  
11 received the certification of the issue to be submitted, he or she  
12 shall be responsible for all matters relating to the submission of  
13 the issue to the registered voters, except that the clerk of the  
14 political subdivision shall be responsible for the publication or  
15 posting of any required special notice of the submission of such  
16 issue other than the notice required to be given of the statewide  
17 election issues. The election commissioner or county clerk shall  
18 prepare the ballots and issue absentee ballots and shall also  
19 conduct the submission of the issue, including the receiving and  
20 counting of the ballots on the issue. The election returns shall  
21 be made to the election commissioner or county clerk. The ballots,  
22 including absentee ballots, shall be counted and canvassed at the  
23 same time and in the same manner as the other ballots. Upon  
24 completion of the canvass of the vote by the county canvassing  
25 board, the election commissioner or county clerk shall certify the  
26 election results to the governing body of the political  
27 subdivision. The canvass by the county canvassing board shall have  
28 the same force and effect as if made by the governing body of the

1 political subdivision.

2           Sec. 46.     Section 35-508, Revised Statutes Supplement,  
3 2002, is amended to read:

4           35-508.   The board of directors shall have the following  
5 general powers:

6           (1) To determine a general fire protection and rescue  
7 program for the district;

8           (2) To make an annual estimate of the probable expense  
9 for carrying out such program;

10           (3) To annually ~~certify such estimate to the county clerk~~  
11 ~~in the manner provided by section 35-509~~ submit such estimate to  
12 the county board;

13           (4) To manage and conduct the business affairs of the  
14 district;

15           (5) To make and execute contracts in the name of and on  
16 behalf of the district;

17           (6) To buy real estate when needed for the district and  
18 to sell real estate of the district when the district has no  
19 further use for it;

20           (7) To purchase or lease such firefighting and rescue  
21 equipment, supplies, and other real or personal property as  
22 necessary and proper to carry out the general fire protection and  
23 rescue program of the district;

24           (8) To incur indebtedness on behalf of the district;

25           (9) To authorize the issuance of evidences of the  
26 indebtedness permitted under subdivision (8) of this section and to  
27 pledge any real or personal property owned or acquired by the  
28 district as security for the same;

1           (10) To organize, establish, equip, maintain, and  
2 supervise a paid, volunteer, or combination paid and volunteer fire  
3 department or company to serve the district and to establish a  
4 service award benefit program pursuant to the Volunteer Emergency  
5 Responders Recruitment and Retention Act;

6           (11) To employ and compensate such personnel as necessary  
7 to carry out the general fire protection and rescue program of the  
8 district;

9           (12) To authorize the execution of a contract with the  
10 Game and Parks Commission or a public power district for fire  
11 protection of property of the commission or public power district  
12 located in or adjacent to the rural or suburban fire protection  
13 district;

14           (13) To levy a tax not to exceed ten and one-half cents  
15 on each one hundred dollars in any one year upon the taxable value  
16 of all taxable property within such district, subject to section  
17 77-3443, in addition to the amount of tax which may be annually  
18 levied to defray the general and incidental expenses of such  
19 district, for the purpose of establishing a sinking fund for the  
20 construction, purchase, improvement, extension, original equipment,  
21 or repair, not including maintenance, of district buildings to  
22 house equipment or personal belongings of a fire department, for  
23 the purchase of firefighting and rescue equipment or apparatus, for  
24 the acquisition of any land incidental to such purposes, or for  
25 payment of principal and interest on any evidence of indebtedness  
26 issued pursuant to subdivisions (8) and (9) of this section; - For  
27 purposes of section 77-3443, the county board of the county in  
28 which the greatest portion of the valuation of the district is

1 ~~located shall approve the levy,~~

2 (14) To adopt and enforce fire codes and establish  
3 penalties at annual meetings, except that the code must be  
4 available prior to annual meetings and notice shall so provide; and

5 (15) Generally to perform all acts necessary to fully  
6 carry out the purposes of sections 35-501 to 35-517.

7 Sec. 47. Section 35-509, Reissue Revised Statutes of  
8 Nebraska, is amended to read:

9 35-509. (1) The board of directors shall have the power  
10 and duty to determine a general fire protection and rescue policy  
11 for the district and shall annually fix the amount of money for the  
12 proposed budget statement as may be deemed sufficient and necessary  
13 in carrying out such contemplated program for the ensuing fiscal  
14 year, including the amount of principal and interest upon the  
15 indebtedness of the district for the ensuing year. After the  
16 adoption of the budget statement, the president and secretary of  
17 the district shall request the amount of tax to be levied which the  
18 district requires for the adopted budget statement for the ensuing  
19 year to the proper county board on or before August 1 of each year.  
20 Such board shall levy a tax not to exceed ten and one-half cents on  
21 each one hundred dollars upon the taxable value of all the taxable  
22 property in such district when the district is a rural or suburban  
23 fire protection district, for the maintenance of the fire  
24 protection district for the fiscal year as provided by law, plus  
25 such levy as is authorized to be made under subdivision (13) of  
26 section 35-508. ~~r all such levies being subject to section~~  
27 ~~77-3443.~~ The tax shall be collected as other taxes are collected  
28 in the county, deposited with the county treasurer, and placed to

1 the credit of the rural or suburban fire protection district so  
2 authorizing the same to be paid to the secretary-treasurer of such  
3 district as is provided for by subsection (3) of this section or to  
4 be remitted to the county treasurer of the county in which the  
5 greatest portion of the valuation of the district is located as is  
6 provided for by subsection (2) of this section. ~~For purposes of~~  
7 ~~section 77-3443, the county board of the county in which the~~  
8 ~~greatest portion of the valuation of the district is located shall~~  
9 ~~approve the levy.~~

10 (2) All such taxes collected or received for the district  
11 by the treasurer of any other county than the one in which the  
12 greatest portion of the valuation of the district is located shall  
13 be remitted to the treasurer of the county in which the greatest  
14 portion of the valuation of the district is located at least  
15 quarterly. All such taxes collected or received shall be placed to  
16 the credit of such district in the treasury of the county in which  
17 the greatest portion of the valuation of the district is located.

18 (3) It shall be the duty of the secretary-treasurer of  
19 the district to apply for and receive from the county treasurer of  
20 the county in which collected or from the county treasurer of the  
21 county in which the greatest portion of the valuation of the  
22 district is located, if such district is located in more than one  
23 county, all money to the credit of the rural or suburban fire  
24 protection district or collected for the same by such county  
25 treasurer, upon an order of the treasurer countersigned by the  
26 president of such district. The money shall be paid out upon  
27 warrants drawn upon the secretary-treasurer by authority of the  
28 board of directors of the district bearing the signature of the

1 secretary-treasurer and the countersignature of the president of  
2 the rural or suburban fire protection district.

3 (4) In no case shall the amount of tax levy exceed the  
4 amount of funds to be received from taxation according to the  
5 adopted budget statement of the district.

6 Sec. 48. Section 35-514.02, Revised Statutes Supplement,  
7 2002, is amended to read:

8 35-514.02. A rural or suburban fire protection district  
9 may establish an emergency medical service, including the provision  
10 of scheduled or unscheduled ambulance service, or provide fire  
11 protection service either within or without the district, may enter  
12 into agreements under the Interlocal Cooperation Act and the Joint  
13 Public Agency Act for the purpose of establishing an emergency  
14 medical service or providing fire protection service, may contract  
15 with any city, person, firm, corporation, or other fire protection  
16 district to provide such services, may expend funds of the  
17 district, and may charge a reasonable fee to the user. Before any  
18 such services are established under the authority of this section,  
19 the rural or suburban fire protection district shall hold a public  
20 hearing after giving at least ten days' notice, which notice shall  
21 include a brief summary of the general plan for establishing the  
22 emergency medical service or providing fire protection service,  
23 including an estimate of the initial cost and the possible  
24 continuing cost of operating the emergency medical service or fire  
25 protection service. If the board after such hearing determines  
26 that an emergency medical service or fire protection service is  
27 needed, it may proceed as authorized in this section. The  
28 authority granted in this section shall be cumulative and

1 supplementary to any existing powers heretofore granted. Any fire  
2 protection district providing any service under this section may  
3 pay the cost for the service out of available funds or may levy a  
4 tax for the purpose of supporting an emergency medical service or  
5 providing fire protection service, which levy shall be in addition  
6 to any other tax for such fire protection district. ~~and shall be~~  
7 ~~subject to section 77-3443.~~ When a fire protection district levies  
8 a tax for the purpose of supporting an emergency medical service,  
9 the taxpayers of such district shall be exempt from any tax levied  
10 under section 13-303. The board of a fire protection district  
11 which provides fire protection service outside of the district may  
12 charge a political subdivision with which the district has entered  
13 into an agreement for such service on a per-call basis for such  
14 service.

15 Sec. 49. Section 35-517, Reissue Revised Statutes of  
16 Nebraska, is amended to read:

17 35-517. (1) By July 1, 1999, the county board shall set  
18 the boundaries of all rural or suburban fire protection districts  
19 in the county so that all areas within the county which are not  
20 within the incorporated areas of cities and villages are included  
21 within a rural or suburban fire protection district.

22 (2) By July 1 of the year following the dissolution of  
23 any rural or suburban fire protection district, the county board  
24 shall set the boundaries of all remaining rural and suburban fire  
25 protection districts so that all areas within the county which are  
26 not within the incorporated areas of cities and villages are  
27 included within a rural or suburban fire protection district.

28 (3) ~~Any county may set the boundaries of all rural and~~

1 suburban fire protection districts for which the county is  
2 responsible for allocating levy authority under section 77-3443 so  
3 that the highest levy of a rural or suburban fire protection  
4 district is no more than two times the average levy of all rural  
5 and suburban fire protection districts for which the county is  
6 responsible for allocating levy authority under section 77-3443  
7 based on the property tax request and associated valuation for the  
8 current fiscal year. For purposes of this subsection, each county  
9 shall examine the property tax request of each rural or suburban  
10 fire protection district in the county for all purposes except  
11 bonded indebtedness for the current fiscal year and lease-purchase  
12 contracts in existence on July 1, 1998, as compared to the  
13 valuation for the tax year against which the levy was imposed. If  
14 one or more fire protection districts do not meet the standard  
15 required by this subsection for the current year, boundaries may be  
16 relocated to place more valuation in the high levy districts and  
17 less in the low levy districts so that the standard is met. If any  
18 district is to be eliminated by the county to meet the standard,  
19 the property tax request for the current fiscal year will be  
20 assumed to be transferred to the other districts which are to be in  
21 the territory of the eliminated district in proportion to the  
22 valuation transferred to such districts for purposes of compliance  
23 with the standard, the district shall be deemed to be dissolved,  
24 and the obligations and assets of the district shall be disposed of  
25 as provided in section 35-521. For purposes of this subsection,  
26 the average levy of all rural and suburban fire protection  
27 districts means the total taxes levied by all rural and suburban  
28 fire protection districts for which the county is responsible for



1 allocating levy authority divided by the total taxable valuation of  
2 all such districts.

3       ~~(4)~~ Before May 1 of the year in which any change in  
4 boundaries allowed or required under this section is to be  
5 effective, the county board shall forthwith designate a time and  
6 place for a hearing before the county board of such county and  
7 shall give due notice thereof in the manner prescribed by section  
8 35-514. The hearing shall be prior to June 1. At the time and  
9 place so fixed the county board shall meet and all persons  
10 interested shall have opportunity to be heard. Thereupon, the  
11 county board shall consider the general rural fire protection  
12 policy for the county as a whole and shall determine the boundaries  
13 of the district or districts, whether as existing prior to such  
14 determination or otherwise, and shall make a written order of such  
15 determination which shall be filed in the office of the county  
16 clerk by July 1 of the year in which any change in boundaries under  
17 this section is to be effective. If all rural and suburban fire  
18 protection districts ~~for which the county is responsible for~~  
19 ~~allocating levy authority under section 77-3443~~ agree to a change  
20 in boundaries and submit a proposal to change boundaries to the  
21 county board prior to the hearing, the county shall adopt the  
22 proposal unless it finds that the proposal is not consistent with  
23 the fire protection policy in the county as a whole or does not  
24 result in levies which comply with the standard described in this  
25 section. Thereafter, such reorganized district or districts shall  
26 be deemed to be organized and operating under sections 35-501 to  
27 35-517. Nothing herein contained shall impair, affect, or  
28 discharge any previously existing contract, obligation, lien, or

1 charge of the district or districts.

2           Sec. 50.     Section 39-1621, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           39-1621. (1) The board of trustees may, after adoption  
5 of the budget statement for such district, annually levy and  
6 collect the amount of taxes provided in the adopted budget  
7 statement of the district to be received from taxation for  
8 corporate purposes upon property within the limits of such road  
9 improvement district to the amount of not more than three and  
10 five-tenths cents on each one hundred dollars upon the taxable  
11 value of the taxable property in such district for general  
12 maintenance and operating purposes. ~~subject to section 77-3443.~~  
13 The board shall, on or before September 20 of each year, certify  
14 any such levy to the county clerk of the counties in which such  
15 district is located who shall extend the levy upon the county tax  
16 list.

17           (2) The county treasurer of the county in which the  
18 greater portion of the area of the district is located shall be ex  
19 officio treasurer of the road improvement district and shall be  
20 responsible for all funds of the district coming into his or her  
21 hands. The treasurer shall collect all taxes and special  
22 assessments levied by the district and collected by him or her from  
23 his or her county or from other county treasurers if there is more  
24 than one county having land in the district and all money derived  
25 from the sale of bonds or warrants. The treasurer shall not be  
26 responsible for such funds until they are received by him or her.  
27 The treasurer shall disburse the funds of the district only on  
28 warrants authorized by the trustees and signed by the president and

1 clerk.

2           Sec. 51.     Section 39-1637, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           39-1637. In counties under a seven or more commissioner  
5 form of government, each former township shall be a road district  
6 and fifty-one percent of the resident freeholders of such district  
7 may petition the county board of the county in which such district  
8 is located to levy an assessment of not to exceed two and one-tenth  
9 cents on each one hundred dollars upon the taxable value of all the  
10 taxable property in such district. ~~subject to section 77-3443.~~  
11 Upon receipt of the petition, the board of county commissioners  
12 shall make the assessment as requested on the taxable value of all  
13 the taxable property in such district at the valuation fixed by the  
14 assessor or board of equalization, to be levied and collected the  
15 same as other taxes. Such taxes shall (1) be and become a part of  
16 the district road fund in which the same are levied, (2) be used  
17 exclusively in improving the public highways in such district, and  
18 (3) not be transferred to any other fund. The board of county  
19 commissioners shall designate the road or roads in such district  
20 where such levy shall be expended.

21           Sec. 52.     Section 39-1649, Reissue Revised Statutes of  
22 Nebraska, is amended to read:

23           39-1649. When the road improvements have been completed  
24 and accepted, the roads shall constitute a part of the county road  
25 system and shall be maintained by the county. If the owners of  
26 more than fifty percent of the area in the district petition the  
27 board for maintenance in excess of that given other similar county  
28 roads, the board may levy and collect annually a special levy of

1 not to exceed three and five-tenths cents on each one hundred  
2 dollars on all taxable property in the district. ~~subject to~~  
3 ~~section 77-3443.~~ The money as collected shall be credited to the  
4 rural road improvement district fund and used only for the repair  
5 and maintenance of the roads in the district.

6 Sec. 53. Section 51-201, Revised Statutes Supplement,  
7 2002, is amended to read:

8 51-201. The city council of any city, the board of  
9 trustees of any incorporated village, the county board of any  
10 county, and the electors of any township at their annual town  
11 meeting shall have the power to establish a public library free of  
12 charge for the use of the inhabitants of such city, village,  
13 county, or township.

14 Any such council, board, or electors may also contract  
15 for the use of a public library already established and may levy a  
16 tax of not more than ten and five-tenths cents on each one hundred  
17 dollars upon the taxable value of all the taxable property in such  
18 city, village, county, or township annually to be levied and  
19 collected in like manner as other taxes in such city, village,  
20 county, or township, except that when any county discontinues  
21 township organization, the county shall levy and collect a tax of  
22 not more than ten and five-tenths cents on each one hundred dollars  
23 for such public library. ~~The levy shall be subject to sections~~  
24 ~~77-3442 and 77-3443.~~ The amount collected from such levy shall be  
25 known as the library fund.

26 Before establishing a county library, the county board  
27 shall submit the question to the voters of the county at a general  
28 election pursuant to section 32-559, including only incorporated

1 and unincorporated areas which do not have a public library, and a  
2 majority of the voters voting on the question of whether to  
3 establish a county library shall authorize the establishment of  
4 such county library and the levying of the tax. A city, village,  
5 or township within the county that has a public library may merge  
6 with the county library, if established, upon a majority vote  
7 pursuant to section 51-201.04. When such questions are submitted  
8 and carried, the county board shall include the county library in  
9 its next succeeding estimate and levy. Such submission shall not  
10 be required when the board levies a tax for the purpose of  
11 contracting for use of a library already established. When the  
12 county board makes a levy for a county library or for the purpose  
13 of contracting for use of a public library already established, the  
14 county board shall omit from the levy of the library tax all  
15 property within the limits of any city, village, or township in  
16 such county which already maintains a library by public tax unless  
17 the voters of the city, village, or township have voted to merge  
18 with the county library.

19 The method of merger of libraries provided in this  
20 section and sections 51-201.03 to 51-201.07 shall not be construed  
21 as the exclusive way to merge libraries or library facilities.  
22 Nothing in such sections shall prohibit a county, city, village, or  
23 township from entering into an agreement pursuant to the Interlocal  
24 Cooperation Act or the Joint Public Agency Act relating to library  
25 services.

26 Sec. 54. Section 51-501, Reissue Revised Statutes of  
27 Nebraska, is amended to read:

28 51-501. (1) The city council of any city, the board of

1 trustees of any incorporated village, the county board of any  
2 county, and the electors of any township at their annual town  
3 meeting shall have the power to establish a museum for the use of  
4 the inhabitants of such city, village, county, or township or to  
5 contract for the use of a museum already established and may levy a  
6 tax of not more than seven cents on each one hundred dollars upon  
7 the taxable value of all the taxable property within the city,  
8 village, township, or county to be levied each year and collected  
9 in like manner as other taxes in such city, village, county, or  
10 township and to be known as the museum fund. The levy shall be  
11 part of the levy of the city, village, county, or township. ~~and~~  
12 ~~shall be subject to sections 77-3442 and 77-3443.~~

13 (2) When the county board makes a levy for a county  
14 museum, it shall omit from the levy of the museum tax all property  
15 within the limits of any city, village, or township in such county  
16 which already maintains a museum by public tax. Before  
17 establishing such county museum or levying such tax, the county  
18 board shall submit the question to the voters of the county and a  
19 majority of the voters voting thereon shall have authorized the  
20 establishment of such county museum and the levying of the tax.  
21 Such questions shall be submitted at a general election only, and  
22 when so submitted and carried, it is hereby made the duty of the  
23 county board to include the county museum in its next succeeding  
24 estimate and levy.

25 (3) The electors of the county may discontinue such levy  
26 by vote of the people in the same manner that the initial levy was  
27 authorized, except that the proposition to discontinue such levy  
28 shall be placed on the ballot by the county board of such county at

1 a general election only when requested to do so by a petition  
2 signed by at least twenty percent of the legal voters of such  
3 county based on the total vote cast for Governor at the last  
4 general election in the county.

5 Sec. 55. Section 51-806, Revised Statutes Supplement,  
6 2002, is amended to read:

7 51-806. Upon the establishment of a public library  
8 federation and a public library federation board, each  
9 participating county board shall establish a public library  
10 federation fund to be supported from the general fund of each  
11 participating local governing authority or from a public library  
12 tax levy. Any local governing authority which is not affiliated  
13 with the public library federation shall not be subject to the  
14 levy. ~~The levy shall be subject to section 77-3442.~~ The amount of  
15 tax support for the federation shall be subject to an agreement  
16 among the participating local governing authorities. All money  
17 received for the federation shall be remitted to the county  
18 treasurer for credit to the public library federation fund.

19 Sec. 56. Section 71-1629.01, Reissue Revised Statutes of  
20 Nebraska, is amended to read:

21 71-1629.01. The county boards of the counties which have  
22 established a district health department may levy and collect an  
23 annual tax of not to exceed eight-tenths of one cent on each one  
24 hundred dollars upon the taxable value of all the taxable property  
25 in such county as may be necessary to meet the expenditures of such  
26 district health department in proportion to which the population of  
27 such county bears to the entire population of such district.  
28 ~~subject to section 77-3443.~~

1                   Sec. 57. Section 71-1637, Revised Statutes Supplement,  
2   2002, is amended to read:

3                   71-1637. (1) Any city by its mayor and council or by its  
4   commission, any village by its village board, any county by its  
5   board of supervisors or commissioners, or any township by its  
6   electors shall have power to employ a visiting community nurse, a  
7   home health nurse, or a home health agency defined in section  
8   71-417 and the rules and regulations adopted and promulgated under  
9   the Health Care Facility Licensure Act. Such nurses or home health  
10   agency shall do and perform such duties as the city, village,  
11   county, or township, by their officials and electors, shall  
12   prescribe and direct. The city, village, county, or township shall  
13   have the power to levy a tax, not exceeding three and five-tenths  
14   cents on each one hundred dollars on the taxable valuation of the  
15   taxable property of such city, village, county, or township, for  
16   the purpose of paying the salary and expenses of such nurses or  
17   home health agency. ~~The levy shall be subject to sections 77-3442~~  
18   ~~and 77-3443.~~ The city, village, county, or township shall have the  
19   power to constitute and empower such nurses or home health agency  
20   with police power to carry out the order of such city, village,  
21   county, or township.

22                   (2) The governing body of any city, village, county, or  
23   township may contract with any visiting nurses association,  
24   licensed hospital home health agency, or other licensed home health  
25   agency, including those operated by the Department of Health and  
26   Human Services, to perform the duties contemplated in subsection  
27   (1) of this section, subject to the supervision of the governing  
28   body, and may pay the expense of such contract out of the general



1 funds of the city, village, county, or township.

2 (3) Nothing in this section shall be construed to allow  
3 any city, village, county, township, nurse, or home health agency  
4 to (a) avoid the requirements of individual licensure, (b) perform  
5 any service beyond the scope of practice of licensure or beyond the  
6 limits of licensure prescribed by the Health Care Facility  
7 Licensure Act, or (c) violate any rule or regulation adopted and  
8 promulgated by the Department of Health and Human Services, the  
9 Department of Health and Human Services Regulation and Licensure,  
10 or the Department of Health and Human Services Finance and Support.

11 Sec. 58. Section 71-1638, Revised Statutes Supplement,  
12 2002, is amended to read:

13 71-1638. Whenever petitions signed by twenty-five  
14 percent of the electors of a city, county, or village shall be  
15 presented to the city council or board of supervisors,  
16 commissioners, or trustees praying for the submission of the  
17 question of making a levy to provide for salary and expenses of a  
18 visiting community nurse, a home health nurse, or a home health  
19 agency and stating the amount of the levy and the period of years  
20 in which the same shall be made, it shall be the duty of such  
21 council or board of supervisors, commissioners, or trustees to  
22 submit the question to a vote of the people at a regular or special  
23 election called for that purpose. If the question is submitted at  
24 a special election, three weeks' notice of such special election  
25 shall be given by publication in some newspaper of general  
26 circulation. Such notice shall be published three consecutive  
27 weeks if the election is in a city or village or, if in a village  
28 and no paper is published in such village, then the notice shall be

1 posted in three of the most public places in the village. If a  
2 majority of the votes cast at such election on the question are in  
3 favor of the levy, then the regularly constituted authorities of  
4 the city, county, or village shall include the same in the estimate  
5 for expenses for each year during the period for which adopted,  
6 unless the same shall be revoked. The tax shall be levied and  
7 collected in the same manner as other taxes are levied and  
8 collected. ~~The levy shall be subject to section 77-3443.~~

9           Sec. 59. Section 74-1306, Reissue Revised Statutes of  
10 Nebraska, is amended to read:

11           74-1306. Before July 1 of each calendar year, the board  
12 of directors shall prepare an itemized budget of funds needed for  
13 the next fiscal year which are necessary to carry out the  
14 authorities granted under sections 74-1302, 74-1303, and 74-1305.  
15 The board of directors shall transmit such budget to the county  
16 board. The county board shall levy a tax sufficient to produce the  
17 amount of funds requested but not to exceed two and six-tenths  
18 cents on each one hundred dollars upon the taxable value of all  
19 taxable property in the county. ~~subject to section 77-3443.~~ Such  
20 levy shall be in addition to all other levies authorized or limited  
21 by law. The tax so levied shall be collected in the same manner as  
22 other property taxes, and the proceeds therefrom shall be kept in a  
23 separate account identified by the official name of the  
24 transportation district. The county treasurer shall transfer such  
25 funds to the district as requested by the board of directors.

26           Sec. 60. Section 77-1601, Revised Statutes Supplement,  
27 2002, is amended to read:

28           77-1601. (1) The county board of equalization shall each

1 year, on or before October 15, levy the necessary taxes for the  
2 current year if within the limit of the law. The levy shall  
3 include an amount for operation of all functions of county  
4 government and shall also include all levies necessary to fund tax  
5 requests certified under section 77-1601.02. ~~that are authorized~~  
6 ~~as provided in sections 77-3442 to 77-3444.~~

7 (2) Within thirty days after a levy has been made  
8 pursuant to this section, the county board of equalization upon its  
9 own motion may act to correct a clerical error which has resulted  
10 in the calculation of an incorrect levy by any entity otherwise  
11 authorized to certify a tax request under section 77-1601.02. The  
12 county board of equalization shall hold a special hearing to  
13 determine what adjustment to the levy is proper, legal, or  
14 necessary. Notice of the place and time of such hearing shall be  
15 published at least five days prior to the date set for hearing in a  
16 newspaper of general circulation within the county. The published  
17 notice shall set forth (a) the time and place of the hearing, (b)  
18 the dollar amount at issue, and (c) a statement setting forth the  
19 nature of the error. Notice shall also be provided to the  
20 governing body of each political subdivision affected by the error.

21 (3) Upon the conclusion of the special hearing, the  
22 county board of equalization shall issue a corrected levy if it  
23 determines that an error was made in the original levy which  
24 warrants correction. The county board of equalization shall then  
25 order (a) the county assessor, county clerk, and county treasurer  
26 to revise assessment books, unit valuation ledgers, tax statements,  
27 and any other tax records to reflect the correction made and (b)  
28 the recertification of the information provided to the Property Tax

1 Administrator pursuant to section 77-1613.01.

2           Sec. 61. Section 77-1776, Revised Statutes Supplement,  
3 2002, is amended to read:

4           77-1776. Any political subdivision which has received  
5 proceeds from a levy imposed on all taxable property within an  
6 entire county which is in excess of that requested by the political  
7 subdivision under section 77-1601.02 as a result of a clerical  
8 error or mistake shall, in the fiscal year following receipt,  
9 return the excess tax collections, net of the collection fee, to  
10 the county. By July 31 of the fiscal year following the receipt of  
11 any excess tax collections, the county treasurer shall certify to  
12 the political subdivision the amount to be returned. ~~Such excess~~  
13 ~~tax collections shall be restricted funds in the budget of the~~  
14 ~~county that receives the funds under section 13-518.~~

15           Sec. 62. Section 79-4,108, Revised Statutes Supplement,  
16 2002, is amended to read:

17           79-4,108. (1) Unified system means two or more Class II  
18 or III school districts participating in an interlocal agreement  
19 under the Interlocal Cooperation Act with approval from the State  
20 Committee for the Reorganization of School Districts. The  
21 interlocal agreement may include Class I districts if the entire  
22 valuation is included in the unified system. The interlocal  
23 agreement shall provide for a minimum term of three school years.  
24 The agreement shall provide that all property tax and state aid  
25 resources shall be shared by the unified system and that a board  
26 composed of school board members, with at least one school board  
27 member from each district, shall determine the general fund levy  
28 ~~within the limitations placed on school districts and~~

1 ~~multiple-district school systems pursuant to section 77-3442,~~ to be  
2 applied in all participating districts and shall determine the  
3 distribution of property tax and state aid resources within the  
4 unified system. For purposes of section 77-3442, the  
5 ~~multiple-district school system shall include all of the Class I,~~  
6 ~~II, and III districts participating in the unified system and the~~  
7 ~~Class I districts or portions thereof affiliated with any of the~~  
8 ~~participating Class II and III districts.~~ The interlocal agreement  
9 shall also provide that certificated staff will be employees of the  
10 unified system. For any certificated staff employed by the unified  
11 system, tenure and seniority as of the effective date of the  
12 interlocal agreement shall be transferred to the unified system and  
13 tenure and seniority provisions shall continue in the unified  
14 system except as provided in sections 79-850 to 79-858. If a  
15 district withdraws from the unified system or if the interlocal  
16 agreement expires and is not renewed, certificated staff employed  
17 by a participating district immediately prior to the unification  
18 shall be reemployed by the original district and tenure and  
19 seniority as of the effective date of the withdrawal or expiration  
20 shall be transferred to the original district. The certificated  
21 staff hired by the unified system but not employed by a  
22 participating district immediately prior to the unification shall  
23 be subject to the reduction-in-force policy of the unified system.  
24 The interlocal agreement shall also require participating districts  
25 to pay obligations of the unified system pursuant to sections  
26 79-850 to 79-858 on a pro rata basis based on the adjusted  
27 valuations if a district withdraws from the unified system or if  
28 the interlocal agreement expires and is not renewed. Additional

1 provisions in the interlocal agreement shall be determined by the  
2 participating districts and shall encourage cooperation within the  
3 unified system.

4 (2) Application for unification shall be made to the  
5 state committee. The application shall contain a copy of the  
6 interlocal agreement signed by the president of each participating  
7 school board. The state committee shall approve or disapprove  
8 applications for unification within forty days after receipt of the  
9 application. If the interlocal agreement complies with subsection  
10 (1) of this section and all school boards of the participating  
11 districts have approved the interlocal agreement, the state  
12 committee shall approve the application. Unification agreements  
13 shall be effective on June 1 following approval from the state  
14 committee for status as a unified system or on the date specified  
15 in the interlocal agreement, except that the date shall be on or  
16 after June 1 and on or before September 1 for a specified year.  
17 The board established in the interlocal agreement may begin meeting  
18 any time after the application has been approved by the state  
19 committee.

20 (3) Upon granting the application for unification, the  
21 State Department of Education shall recognize the unified system as  
22 a single Class II or III district for state aid, budgeting,  
23 accreditation, enrollment of students, state programs, and  
24 reporting. The unified system shall submit a single report  
25 document for each of the reports required of school districts  
26 pursuant to Chapter 79 and shall submit a single budget document  
27 pursuant to the Nebraska Budget Act. ~~and sections 13-518 to~~  
28 ~~13-522.~~ The class of district shall be the same as the majority of

1 participating districts, excluding Class I districts. If there are  
2 an equal number of Class II and Class III districts in the unified  
3 system, the unified system shall be recognized by the department as  
4 a Class III district.

5 (4) The school districts participating in a unified  
6 system shall retain their separate identities for all purposes  
7 except those specified in this section, and participation in a  
8 unified system shall not be considered a reorganization.

9 Sec. 63. Section 79-1003, Revised Statutes Supplement,  
10 2002, is amended to read:

11 79-1003. For purposes of the Tax Equity and Educational  
12 Opportunities Support Act:

13 (1) Adjusted general fund operating expenditures means  
14 general fund operating expenditures as calculated pursuant to  
15 subdivision (23) of this section minus the transportation allowance  
16 and minus the special receipts allowance;

17 (2) Adjusted valuation means the assessed valuation of  
18 taxable property of each local system in the state, adjusted  
19 pursuant to the adjustment factors described in section 79-1016.  
20 Adjusted valuation means the adjusted valuation for the property  
21 tax year ending during the school fiscal year immediately preceding  
22 the school fiscal year in which the aid based upon that value is to  
23 be paid. For purposes of determining the local effort rate yield  
24 pursuant to section 79-1015.01, adjusted valuation does not include  
25 the value of any property which a court, by a final judgment from  
26 which no appeal is taken, has declared to be nontaxable or exempt  
27 from taxation;

28 (3) Allocated income tax funds means the amount of

1 assistance paid to a local system pursuant to section 79-1005.01 or  
2 79-1005.02 as adjusted by the minimum levy adjustment pursuant to  
3 section 79-1008.02;

4 (4) Average daily attendance of a student who resides on  
5 Indian land means average daily attendance of a student who resides  
6 on Indian land from the most recent data available on November 1  
7 preceding the school fiscal year in which aid is to be paid;

8 (5) Average daily membership means the average daily  
9 membership for grades kindergarten through twelve attributable to  
10 the local system, as provided in each district's annual statistical  
11 summary, and includes the proportionate share of students enrolled  
12 in a public school instructional program on less than a full-time  
13 basis;

14 (6) Base fiscal year means the first school fiscal year  
15 following the school fiscal year in which the reorganization or  
16 unification occurred;

17 (7) Board means the school board of each school district;

18 (8) Categorical funds means funds limited to a specific  
19 purpose by federal or state law, including, but not limited to,  
20 Title I funds, Title VI funds, federal vocational education funds,  
21 federal school lunch funds, Indian education funds, Head Start  
22 funds, funds from the Education Innovation Fund, and funds from the  
23 School Technology Fund;

24 (9) Consolidate means to voluntarily reduce the number of  
25 school districts providing education to a grade group and does not  
26 include dissolution pursuant to section 79-498;

27 (10) Converted contract means an expired contract that  
28 was in effect for at least fifteen years for the education of



1 students in a nonresident district in exchange for tuition from the  
2 resident district when the expiration of such contract results in  
3 the nonresident district educating students who would have been  
4 covered by the contract if the contract were still in effect as  
5 option students pursuant to the enrollment option program  
6 established in section 79-234;

7 (11) Converted contract option students means students  
8 who will be option students pursuant to the enrollment option  
9 program established in section 79-234 for the school fiscal year  
10 for which aid is being calculated and who would have been covered  
11 by a converted contract if the contract were still in effect and  
12 such school fiscal year is the first school fiscal year for which  
13 such contract is not in effect;

14 (12) Department means the State Department of Education;

15 (13) District means any Class I, II, III, IV, V, or VI  
16 school district;

17 (14) Ensuing school fiscal year means the school fiscal  
18 year following the current school fiscal year;

19 (15) Equalization aid means the amount of assistance  
20 calculated to be paid to a local system pursuant to sections  
21 79-1008.01 to 79-1022 and 79-1022.02;

22 (16) Fall membership means the total membership in  
23 kindergarten through grade twelve attributable to the local system  
24 as reported on the fall school district membership reports for each  
25 district pursuant to section 79-528;

26 (17) Fiscal year means the state fiscal year which is the  
27 period from July 1 to the following June 30;

28 (18) Formula students means (a) for state aid certified

1 pursuant to section 79-1022, the sum of fall membership from the  
2 school fiscal year immediately preceding the school fiscal year in  
3 which the aid is to be paid, multiplied by the average ratio of  
4 average daily membership to fall membership for the second school  
5 fiscal year immediately preceding the school fiscal year in which  
6 aid is to be paid and the prior two school fiscal years, and  
7 tuitioned students from the school fiscal year immediately  
8 preceding the school fiscal year in which the aid is to be paid and  
9 (b) for final calculation of state aid pursuant to section 79-1065,  
10 the sum of average daily membership and tuitioned students from the  
11 school fiscal year immediately preceding the school fiscal year in  
12 which the aid was paid;

13 (19) Free lunch and free milk student means a student who  
14 qualified for free lunches or free milk from the most recent data  
15 available on November 1 of the school fiscal year immediately  
16 preceding the school fiscal year in which aid is to be paid;

17 (20) Full-day kindergarten means kindergarten offered by  
18 a district for at least one thousand thirty-two instructional  
19 hours;

20 (21) General fund budget of expenditures means the total  
21 budget of disbursements and transfers for general fund purposes as  
22 certified in the budget statement adopted pursuant to the Nebraska  
23 Budget Act, except that for purposes of the limitation imposed in  
24 section 79-1023, the calculation of Class I total allowable general  
25 fund budget of expenditures minus the special education budget of  
26 expenditures pursuant to section 79-1083.03, ~~and the calculation~~  
27 ~~pursuant to subdivision (2) of section 79-1027.01,~~ the general fund  
28 budget of expenditures does not include any special grant funds,

1 exclusive of local matching funds, received by a district subject  
2 to the approval of the department;

3 (22) General fund expenditures means all expenditures  
4 from the general fund;

5 (23) General fund operating expenditures means the total  
6 general fund expenditures minus categorical funds, tuition paid,  
7 transportation fees paid to other districts, adult education,  
8 summer school, community services, redemption of the principal  
9 portion of general fund debt service, retirement incentive plans,  
10 staff development assistance, and transfers from other funds into  
11 the general fund for the second school fiscal year immediately  
12 preceding the school fiscal year in which aid is to be paid;

13 (24) High school district means a school district  
14 providing instruction in at least grades nine through twelve;

15 (25) Income tax liability means the amount of the  
16 reported income tax liability for resident individuals pursuant to  
17 the Nebraska Revenue Act of 1967 less all nonrefundable credits  
18 earned and refunds made;

19 (26) Income tax receipts means the amount of income tax  
20 collected pursuant to the Nebraska Revenue Act of 1967 less all  
21 nonrefundable credits earned and refunds made;

22 (27) Limited English proficiency student means a student  
23 with limited English proficiency from the most recent data  
24 available on November 1 of the school fiscal year preceding the  
25 school fiscal year in which aid is to be paid;

26 (28) Local system means a Class VI district and the  
27 associated Class I districts or a Class II, III, IV, or V district  
28 and any affiliated Class I districts or portions of Class I

1 districts. The membership, expenditures, and resources of Class I  
2 districts that are affiliated with multiple high school districts  
3 will be attributed to local systems based on the percent of the  
4 Class I valuation that is affiliated with each high school  
5 district;

6 (29) Low-income child means a child under nineteen years  
7 of age living in a household having an annual adjusted gross income  
8 of fifteen thousand dollars or less for the second calendar year  
9 preceding the beginning of the school fiscal year for which aid is  
10 being calculated;

11 (30) Most recently available complete data year means the  
12 most recent single school fiscal year for which the annual  
13 financial report, fall school district membership report, annual  
14 statistical summary, Nebraska income tax liability by school  
15 district for the calendar year in which the majority of the school  
16 fiscal year falls, and adjusted valuation data are available;

17 (31) Regular route transportation means the  
18 transportation of students on regularly scheduled daily routes to  
19 and from the attendance center;

20 (32) Reorganized district means any district involved in  
21 a consolidation and currently educating students following  
22 consolidation;

23 (33) School year or school fiscal year means the fiscal  
24 year of a school district as defined in section 79-1091;

25 (34) Special education means specially designed  
26 kindergarten through grade twelve instruction pursuant to section  
27 79-1125, and includes special education transportation;

28 (35) Special grant funds means the budgeted receipts for

1 grants, including, but not limited to, Title I funds, Title VI  
2 funds, funds from the Education Innovation Fund, reimbursements for  
3 wards of the court, short-term borrowings including, but not  
4 limited to, registered warrants and tax anticipation notes,  
5 interfund loans, insurance settlements, and reimbursements to  
6 county government for previous overpayment. The state board shall  
7 approve a listing of grants that qualify as special grant funds;

8 (36) Special receipts allowance means the amount of  
9 special education, state ward, and accelerated or differentiated  
10 curriculum program receipts included in local system formula  
11 resources under subdivisions (7), (8), (16), and (17) of section  
12 79-1018.01;

13 (37) State aid means the amount of assistance paid to a  
14 district pursuant to the Tax Equity and Educational Opportunities  
15 Support Act;

16 (38) State board means the State Board of Education;

17 (39) State support means all funds provided to districts  
18 by the State of Nebraska for the general fund support of elementary  
19 and secondary education;

20 (40) Temporary aid adjustment factor means one and  
21 one-fourth percent of the sum of the local system's transportation  
22 allowance, the local system's special receipts allowance, and the  
23 product of the local system's adjusted formula students multiplied  
24 by the average formula cost per student in the local system's cost  
25 grouping;

26 (41) Transportation allowance means the lesser of (a)  
27 each local system's general fund expenditures for regular route  
28 transportation and in lieu of transportation expenditures pursuant

1 to section 79-611 in the second school fiscal year immediately  
2 preceding the school fiscal year in which aid is to be paid, but  
3 not including special education transportation expenditures or  
4 other expenditures previously excluded from general fund operating  
5 expenditures, or (b) the number of miles traveled in the second  
6 school fiscal year immediately preceding the school fiscal year in  
7 which aid is to be paid by vehicles owned, leased, or contracted by  
8 the district or the districts in the local system for the purpose  
9 of regular route transportation multiplied by four hundred percent  
10 of the mileage rate established by the Department of Administrative  
11 Services pursuant to section 81-1176 as of January 1 of the most  
12 recently available complete data year added to in lieu of  
13 transportation expenditures pursuant to section 79-611 from the  
14 same data year;

15 (42) Tuition receipts from converted contracts means  
16 tuition receipts received by a district from another district in  
17 the most recently available complete data year pursuant to a  
18 converted contract prior to the expiration of the contract; and

19 (43) Tuitioned students means students in kindergarten  
20 through grade twelve of the district whose tuition is paid by the  
21 district to some other district or education agency.

22 Sec. 64. Section 79-1008.01, Revised Statutes  
23 Supplement, 2002, is amended to read:

24 79-1008.01. (1) Except as provided in subsection (2) of  
25 this section and sections 79-1008.02 to 79-1010, each local system  
26 shall receive equalization aid in the amount that the total formula  
27 need of each local system, as determined pursuant to sections  
28 79-1007.01 and 79-1007.02, exceeds its total formula resources as

1 determined pursuant to sections 79-1015.01 to 79-1018.01.

2           (2) Except as provided in section 79-1008.02, a local  
3 system shall not receive state aid for any school fiscal year,  
4 except school fiscal years 2002-03, 2003-04, and 2004-05, which is  
5 less than an amount equal to the difference of eighty-five percent  
6 of the amount of aid certified in the preceding school fiscal year  
7 minus an amount equal to any increase in the adjusted valuation  
8 between the adjusted valuation used for the certification of aid in  
9 the preceding school fiscal year and the adjusted valuation used  
10 for the aid being calculated multiplied by the maximum levy, for  
11 the school fiscal year for which aid is being certified, pursuant  
12 to subdivision (2)(a) of section 77-3442 without a vote pursuant to  
13 section 77-3444 one dollar per one hundred dollars of adjusted  
14 valuation.

15           (3) Except as provided in section 79-1008.02, a local  
16 system shall not receive state aid for school fiscal years 2002-03,  
17 2003-04, or 2004-05 which is less than an amount equal to the  
18 difference of eighty-three and three-fourths percent of the amount  
19 of aid certified in the preceding school fiscal year minus an  
20 amount equal to any increase in the adjusted valuation between the  
21 adjusted valuation used for the certification of aid in the  
22 preceding school fiscal year and the adjusted valuation used for  
23 the aid being calculated multiplied by the maximum levy, for the  
24 school fiscal year for which aid is being certified, pursuant to  
25 subdivision (2)(a) of section 77-3442 without a vote pursuant to  
26 section 77-3444 one dollar per one hundred dollars of adjusted  
27 valuation.

28           (4) Except as provided in subsection (2) or (3) of this

1 section, no local system may receive equalization aid such that,  
2 when total aid is added to a levy of ~~one dollar for state aid to be~~  
3 ~~distributed in school fiscal years 1998-99 and 1999-00 or of ninety~~  
4 ~~cents, for state aid to be distributed in school fiscal year~~  
5 ~~2000-01 and each school fiscal year thereafter,~~ multiplied by the  
6 local system's adjusted valuation divided by one hundred, would  
7 result in total local system revenue from state aid plus property  
8 tax receipts which exceeds the total of:

9 (a) The sum of state aid, receipts from other school  
10 districts related to annexation, and property tax receipts received  
11 by the local system during the preceding school fiscal year  
12 multiplied by the total of (i) 1.01 plus (ii) the applicable  
13 allowable growth rate for the local system calculated pursuant to  
14 section 79-1026 as determined for the school fiscal year  
15 immediately preceding the school fiscal year when aid is to be  
16 distributed plus (iii) the percentage growth in formula students  
17 from the certification of state aid for the immediately preceding  
18 school fiscal year to the formula students for the certification of  
19 state aid for the current school fiscal year, except that the  
20 percentage growth shall not be less than zero;

21 (b) Unused budget authority authorized pursuant to  
22 section 79-1030;

23 (c) The difference between the other actual receipts  
24 included in local system formula resources for the certification of  
25 state aid in the preceding school fiscal year and other actual  
26 receipts included in local system formula resources for the  
27 certification of state aid for the current school fiscal year,  
28 except that such difference shall not be less than zero; and



1           (d) The absolute value of any negative prior year  
2 adjustment pursuant to section 79-1065.

3           For local systems that have reorganized, state aid,  
4 property tax receipts, and number of formula students shall be  
5 attributed based on valuation. The revenue from property tax  
6 receipts shall be calculated by multiplying the reported general  
7 fund common levy by the assessed valuation subject to the levy  
8 divided by one hundred.

9           (5) For all school fiscal years except school fiscal  
10 years 2002-03, 2003-04, and 2004-05, the aid that is not  
11 distributed through equalization based on subsection (4) of this  
12 section shall be distributed through this subsection. Local  
13 systems qualify for distribution under this subsection if they have  
14 nine hundred or less formula students and adjusted general fund  
15 operating expenditures per formula student less than the average  
16 for all local systems with nine hundred or less formula students.  
17 The aid shall be distributed proportionally to qualifying districts  
18 based on the dollar amount each local system's calculated state aid  
19 plus the product of a levy of one dollar multiplied by the assessed  
20 valuation divided by one hundred is below ninety percent of state  
21 aid plus property tax receipts received by the local system during  
22 the preceding school fiscal year. No system shall receive aid  
23 pursuant to this subsection such that the calculated state aid plus  
24 the product of a levy of one dollar multiplied by the assessed  
25 valuation divided by one hundred is ninety percent or more of state  
26 aid plus property tax receipts received by the local system during  
27 the preceding school fiscal year. Any aid available for  
28 distribution pursuant to this subsection that is not distributed

1 pursuant to this subsection shall be distributed as equalization  
2 aid.

3 (6) For school fiscal years 2002-03, 2003-04, and  
4 2004-05, the aid that is not distributed through equalization based  
5 on subsection (3) of this section shall be distributed through this  
6 subsection. Local systems qualify for distribution under this  
7 subsection if they have nine hundred or less formula students and  
8 adjusted general fund operating expenditures per formula student  
9 less than the average for all local systems with nine hundred or  
10 less formula students. The aid shall be distributed proportionally  
11 to qualifying districts based on the dollar amount each local  
12 system's calculated state aid plus the product of a levy of one  
13 dollar multiplied by the assessed valuation divided by one hundred  
14 is below eighty-eight and three-fourths percent of state aid plus  
15 property tax receipts received by the local system during the  
16 preceding school fiscal year. No system shall receive aid  
17 pursuant to this subsection such that the calculated state aid plus  
18 the product of a levy of one dollar multiplied by the assessed  
19 valuation divided by one hundred is eighty-eight and three-fourths  
20 percent or more of state aid plus property tax receipts received by  
21 the local system during the preceding school fiscal year. Any aid  
22 available for distribution pursuant to this subsection that is not  
23 distributed pursuant to this subsection shall be distributed as  
24 equalization aid.

25 Sec. 65. Section 79-1008.02, Revised Statutes  
26 Supplement, 2002, is amended to read:

27 79-1008.02. A minimum levy adjustment shall be  
28 calculated and applied to any local system that has a general fund

1 common levy in the calendar year in which aid is certified that is  
2 less than ninety percent of the maximum levy allowed pursuant to  
3 ~~subdivision (2)(a) of section 77-3442 without a vote pursuant to~~  
4 ~~section 77-3444~~ cents per one hundred dollars of taxable valuation.  
5 To calculate the minimum levy adjustment, the department shall  
6 subtract the local system general fund common levy in the calendar  
7 year when aid is certified from ninety percent of the maximum levy  
8 ~~allowed pursuant to subdivision (2)(a) of section 77-3442 without a~~  
9 ~~vote pursuant to section 77-3444~~ cents per one hundred dollars of  
10 taxable valuation and multiply the result by the local system's  
11 adjusted valuation divided by one hundred. The minimum levy  
12 adjustment shall be added to the formula resources of the local  
13 system for the determination of equalization aid pursuant to  
14 section 79-1008.01. If the minimum levy adjustment is greater than  
15 or equal to the allocated income tax funds calculated pursuant to  
16 section 79-1005.01 or 79-1005.02, the local system shall not  
17 receive allocated income tax funds. If the minimum levy adjustment  
18 is less than the allocated income tax funds calculated pursuant to  
19 section 79-1005.01 or 79-1005.02, the local system shall receive  
20 allocated income tax funds in the amount of the difference between  
21 the allocated income tax funds calculated pursuant to section  
22 79-1005.01 or 79-1005.02 and the minimum levy adjustment.

23 Sec. 66. Section 79-1015.01, Revised Statutes  
24 Supplement, 2002, is amended to read:

25 79-1015.01. (1) Local system formula resources shall  
26 include local effort rate yield which shall be computed as  
27 prescribed in this section.

28 (2) For state aid certified pursuant to section 79-1022,

1 the local effort rate shall be the maximum levy, for the school  
2 fiscal year for which aid is being certified, authorized pursuant  
3 to section 77-3442 less ten cents equal ninety cents per one  
4 hundred dollars of adjusted valuation. For the final calculation  
5 of state aid pursuant to section 79-1065, the local effort rate  
6 shall be the rate which, when multiplied by the total adjusted  
7 valuation of all taxable property in local systems receiving  
8 equalization aid pursuant to the Tax Equity and Educational  
9 Opportunities Support Act, will produce the amount needed to  
10 support the total formula need of such local systems when added to  
11 state aid appropriated by the Legislature and other actual receipts  
12 of local systems described in section 79-1018.01. The local effort  
13 rate yield shall be determined by multiplying each local system's  
14 total adjusted valuation by the local effort rate.

15 Sec. 67. Section 79-1025, Revised Statutes Supplement,  
16 2002, is amended to read:

17 79-1025. The basic allowable growth rate for general  
18 fund expenditures other than expenditures for special education  
19 shall be the base limitation ~~established under section 77-3446~~ of  
20 two and one-half percent and the allowable growth range shall be  
21 from the base limitation to two percent above the base limitation.  
22 The budget authority for special education for all classes of  
23 school districts shall be the actual anticipated expenditures for  
24 special education subject to the approval of the state board. Such  
25 budget authority and funds generated pursuant to such budget  
26 authority shall be used only for special education expenditures.

27 Sec. 68. Section 79-1029, Revised Statutes Supplement,  
28 2002, is amended to read:

1                79-1029.    (1) A Class II, III, IV, V, or VI district may  
2 exceed the basic allowable growth rate prescribed in section  
3 79-1025 upon an affirmative vote of at least seventy-five percent  
4 of the board.    The total growth shall not exceed the applicable  
5 allowable growth percentage certified for the local system under  
6 section 79-1026 plus one percent.    The vote shall be taken at a  
7 public meeting of the board following a special public hearing  
8 called for the purpose of receiving testimony on such proposed  
9 increase.    The board shall give at least five calendar days' notice  
10 of such public hearing and shall publish such notice at least once  
11 in a newspaper of general circulation in the local system.

12                (2) A Class II, III, IV, V, or VI district may exceed the  
13 applicable allowable growth percentage prescribed in section  
14 79-1026 by an amount approved by a majority of legal voters voting  
15 on the issue at a primary, general, or special election called for  
16 such purpose upon the recommendation of the board or upon the  
17 receipt by the county clerk or election commissioner of a petition  
18 requesting an election signed by at least five percent of the legal  
19 voters of the district.    The recommendation of the board or the  
20 petition of the legal voters shall include the amount and  
21 percentage by which the board would increase its general fund  
22 budget of expenditures for the ensuing school year over and above  
23 the current year's general fund budget of expenditures.    The county  
24 clerk or election commissioner shall place the question on the  
25 primary or general election ballot or call for a special election  
26 on the issue after the receipt of such board recommendation or  
27 legal voter petition.    The election shall be held pursuant to the  
28 Election Act, or section 77-3444, and all costs for a special

1 election shall be paid by the district. A vote to exceed the  
2 applicable allowable growth percentage may be approved on the same  
3 question as a vote to exceed the levy limits provided in section  
4 ~~77-3444.~~

5 Sec. 69. Section 79-1078, Revised Statutes Supplement,  
6 2002, is amended to read:

7 79-1078. The general fund property tax requirement of  
8 the Class VI school district and each Class I school district or  
9 portion thereof in a Class VI school system shall be certified to  
10 the county assessor for computation of a Class VI school system tax  
11 levy. ~~which shall not exceed the limit in section 77-3442.~~ The  
12 proceeds of such levy, upon collection by the county, shall be  
13 distributed to the districts in the Class VI school system in  
14 amounts which are in proportion to the amounts of the general fund  
15 property tax requirement certified by such districts to the county  
16 assessor. Such levy shall be computed as follows: The sum of the  
17 property tax requirements necessary to fund the general fund  
18 property tax requirement of the Class VI school system shall be  
19 divided by the assessed valuation, in hundreds, of the system. If  
20 only a portion of a Class I district is part of the Class VI  
21 district, such Class I district's general fund property tax  
22 requirement shall be apportioned to respective portions of such  
23 Class I district for purposes of this computation based on each  
24 portion's assessed taxable valuation in relation to the total  
25 assessed valuation of the entire Class I district.

26 Sec. 70. Section 79-1081, Revised Statutes Supplement,  
27 2002, is amended to read:

28 79-1081. The tax for bond interest for a Class IV school

1 district shall in no one year exceed such amount as will, with the  
2 balance on hand in such fund, be sufficient to pay the bond  
3 interest as it becomes due. The tax for the bond sinking fund  
4 shall not exceed a sum sufficient to pay the principal of such  
5 bonds as it becomes due or to pay each year such number of the  
6 bonds as will retire them all at or before their maturity. The  
7 amount of tax levied for the retirement plan fund and for general  
8 school purposes shall be without restriction, except that the  
9 aggregate school tax levy for all purposes shall not in any one  
10 year exceed such rate as shall be necessary to provide the sums  
11 reported in the estimate returned in accordance with section  
12 79-1085. The amount of tax levied for the building and equipment  
13 fund shall not in any one year exceed fourteen cents on each one  
14 hundred dollars. ~~within the limits provided in section 77-3442.~~

15 Sec. 71. Section 79-1225, Revised Statutes Supplement,  
16 2002, is amended to read:

17 79-1225. After the adoption of its budget statement, the  
18 board for each educational service unit may levy a tax in the  
19 amount which it requires under its adopted budget statement to be  
20 received from taxation. ~~The levy shall be subject to the limits~~  
21 ~~established by section 77-3442.~~ The amount of such levy shall be  
22 certified by the secretary of the educational service unit board to  
23 the county board of equalization of each county in which any part  
24 of the geographical area of the educational service unit is located  
25 on or before September 20 of each year. Such tax shall be levied  
26 and assessed in the same manner as other property taxes and entered  
27 on the books of the county treasurer. The proceeds of such tax, as  
28 collected, shall be remitted to the treasurer of the board on or

1 before the fifteenth day of each month or more frequently as  
2 provided in section 77-1759.

3 Sec. 72. Section 80-202, Revised Statutes Supplement,  
4 2002, is amended to read:

5 80-202. The board of supervisors or commissioners of any  
6 county, the electors of any township at the annual or special  
7 township meeting, or the commissioners, council, or trustees of any  
8 city or village may by proper resolution, motion, or ordinance  
9 decide to erect or aid in the erection of any such statue,  
10 monument, or other memorial. Such resolution, motion, or ordinance  
11 shall specify the general features and plan of such statue,  
12 monument, or other memorial, the proposed location, the probable  
13 cost, and the amount thereof to be paid by such county, township,  
14 city, or village. The resolution, motion, or ordinance shall  
15 thereafter be published once in the official paper of the county,  
16 city, or village, and twenty days after the publication date of the  
17 publication, the proper authorities may levy a tax, in addition to  
18 the taxes otherwise authorized to be levied upon the taxable  
19 property of such county, township, city, or village, to pay the  
20 amount so to be paid by such county, township, city, or village, in  
21 like manner as general taxes are levied, or to pay such amount from  
22 the general fund. ~~The levy shall be subject to sections 77-3442~~  
23 ~~and 77-3443.~~

24 Sec. 73. Section 85-1536.01, Reissue Revised Statutes of  
25 Nebraska, is amended to read:

26 85-1536.01. (1) The Community College Property Tax  
27 Relief and Equalization Program is created. The Legislature  
28 recognizes the need for a state and local partnership for the



1 funding of community colleges. The Legislature also understands  
2 that some community college areas have a better ability than other  
3 areas to raise revenue through property taxes because of larger and  
4 growing valuation bases.

5 (2) It is the intent of the Legislature to appropriate  
6 funds beginning with fiscal year 1998-99 to provide property tax  
7 relief to those areas that (a) have levied the maximum allowable  
8 property tax levy as described in subsection (1) of section 85-1517  
9 and cannot generate forty percent of their operating revenue or (b)  
10 do not receive forty percent of their operating revenue from state  
11 aid pursuant to subdivisions (1)(a) and (b) of section 85-1536 and  
12 levy the maximum allowable property tax levy as described in  
13 subsection (1) of section 85-1517 or the greater of a minimum levy  
14 of six and three-tenths cents per one hundred dollars of valuation  
15 for fiscal year 1998-99 and fiscal year 1999-00 and five and  
16 three-tenths cents per one hundred dollars of valuation for fiscal  
17 year 2000-01 and all subsequent fiscal years or a levy that raises  
18 forty percent of its operating revenue.

19 (3) Each eligible community college area which qualifies  
20 pursuant to subdivision (2)(a) of this section shall receive funds  
21 equal to the difference between the property tax revenue raised and  
22 forty percent of its operating revenue. Each eligible community  
23 college area which qualifies pursuant to subdivision (2)(b) of this  
24 section shall receive funds equal to the difference between state  
25 aid pursuant to subdivisions (1)(a) and (b) of section 85-1536 and  
26 forty percent of its operating revenue, and any community college  
27 area which raises in excess of forty percent of its operating  
28 revenue from property tax shall have such excess serve as an offset

1 to payments received from this program. Any community college area  
2 which qualifies under both subdivisions (2)(a) and (b) of this  
3 section shall receive funds as calculated for both subdivisions.  
4 The base year for calculating forty percent of operating revenue  
5 shall be fiscal year 1997-98, with future adjustments reflecting  
6 increases equal to two percent plus the percentage increase, if  
7 any, in full-time equivalent students eligible for state aid from  
8 the second year to the first year preceding the year for which the  
9 aid is being determined.

10 Any community college area which had an operational  
11 property tax levy that was one hundred thirty-five percent or more  
12 of the statewide average operational community college property tax  
13 levy for fiscal year 1997-98 shall, for purposes of state aid  
14 distribution beginning in fiscal year 1999-00 and for each fiscal  
15 year thereafter, have added to its fiscal year 1997-98 base year  
16 revenue three-fourths of its unused budget authority as established  
17 under section 13-521 for fiscal year 1998-99. Each community  
18 college area shall submit its levy and valuation certification to  
19 the Department of Administrative Services by September 20 each  
20 year. After verifying valuations and general fund revenue amounts  
21 established from FTE-REU audits, which general fund revenue amounts  
22 are derived from the uniform budget form, the department shall  
23 distribute funds to those community college areas that have  
24 qualified for property tax relief and equalization. If the  
25 Legislature fails to appropriate adequate funds for the program,  
26 the funds appropriated shall be apportioned on a pro rata basis to  
27 the areas that qualify.

28 (4) The department shall distribute the total of such

1 appropriated and allocated funds to the boards in nine as nearly as  
2 possible equal monthly payments between the fifth and twentieth day  
3 of each month beginning in October of each year.

4           Sec. 74.     Section 86-582, Revised Statutes Supplement,  
5 2002, is amended to read:

6           86-582.     For the purpose of establishing a county  
7 telephone system pursuant to sections 86-581 to 86-592, the county  
8 board may levy a tax of not more than one and four-tenths cents on  
9 each one hundred dollars upon the taxable value of all the taxable  
10 property in such county to be levied and collected. ~~subject to~~  
11 ~~section 77-3443.~~     The county board shall submit the question of  
12 such levy to the electors at a general or special election when a  
13 petition is filed with the clerk of the board signed by at least  
14 ten percent of the electors of the county. If such proposal  
15 submitted at such election is carried by a majority of all the  
16 votes cast at the election, the board shall make the levy set forth  
17 in this section.

18           Sec. 75.     Section 86-585, Revised Statutes Supplement,  
19 2002, is amended to read:

20           86-585.     The county board shall provide for the proper  
21 organization, regulation, maintenance, and extension of the county  
22 telephone system. As needed, ~~and subject to section 77-3443,~~ the  
23 county board may levy a tax of not to exceed seven-tenths of one  
24 cent on each one hundred dollars upon the taxable property of the  
25 county for the purpose of maintaining and extending the county  
26 telephone system.

27           Sec. 76.     This act becomes operative on July 1, 2003.

28           Sec. 77.     Original sections 2-257, 2-3225, 3-504.02,

1 3-603, 3-605, 12-914, 12-923, 13-1304, 14-1821, 16-702, 16-1019,  
2 16-1038, 17-702, 18-1221, 18-2107, 19-1309, 23-119, 23-224,  
3 23-2909, 23-3552, 23-3616, 31-411.02, 32-559, 35-509, 35-517,  
4 39-1621, 39-1637, 39-1649, 51-501, 71-1629.01, 74-1306, and  
5 85-1536.01, Reissue Revised Statutes of Nebraska, and sections  
6 2-229, 2-229.01, 2-259, 3-504, 3-613, 3-707, 13-303, 13-502,  
7 13-506, 13-508, 13-511, 13-2507, 13-2809, 13-2817, 14-514, 14-1805,  
8 18-2609, 19-3315, 23-125, 23-355.01, 23-501, 29-3933, 35-508,  
9 35-514.02, 51-201, 51-806, 71-1637, 71-1638, 77-1601, 77-1776,  
10 79-4,108, 79-1003, 79-1008.01, 79-1008.02, 79-1015.01, 79-1025,  
11 79-1029, 79-1078, 79-1081, 79-1225, 80-202, 86-582, and 86-585,  
12 Revised Statutes Supplement, 2002, are repealed.

13           Sec. 78. The following sections are outright repealed:  
14 Section 79-458, Reissue Revised Statutes of Nebraska, and sections  
15 13-518 to 13-522, 13-2808, 77-3442 to 77-3446, 79-1027.01, and  
16 79-1082, Revised Statutes Supplement, 2002.

17           Sec. 79. Since an emergency exists, this act takes  
18 effect when passed and approved according to law.